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PERSONNEL RECRUITMENT AND EMPLOYMENT PRACTICES IN THE FEDERAL GOVERNMENT

A REPORT WITH CONCLUSIONS AND RECOMMENDATIONS MADE AS A RESULT OF THE INVESTIGATION INTO THE PERSONNEL NEEDS AND PRACTICES OF THE VARIOUS GOVERNMENTAL AGENCIES BEING CONDUCTED BY THE SUBCOMMITTEE ON FEDERAL MANPOWER POLICIES PURSUANT TO SENATE RESOLUTION 53, AS AMENDED BY SENATE RESOLUTIONS 206 AND 288, WITH THE PURPOSE OF FORMULATING POLICIES FOR THE MOST EFFECTIVE UTILIZATION OF CIVILIAN PERSONNEL DURING THE PERIOD OF THE NATIONAL EMERGENCY



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PERSONNEL RECRUITMENT AND EMPLOYMENT PRACTICES IN THE FEDERAL GOVERNMENT

SUMMARY OF FINDINGS

Total Federal civilian employment on June 30, 1950, stood at 1,966,448. On June 30, 1952, the total employment figure was 2,603,268, a net increase of 636,820. Of the June 30, 1952, figure, 1,337,095, or 51 percent, were employed by the Defense Department alone.

To reach this peak, it was necessary to hire approximately 1,491,000 employees to produce the additional employees needed, and to keep ahead of the turnover rate. While it is difficult to secure data as to the actual cost of employing a Federal worker, the subcommittee estimates that it cost over \$70,000,000 to secure the 1,491,000 employees. This represents only the amount of money spent to recruit and examine these people, and does not include the cost of placing them on the payroll and inducting them into their jobs.

In its interim report issued March 19, 1952, the subcommittee took cognizance of the fact that its findings and recommendations may well have a lasting impact on manpower and personnel administration in the Government for years to come. This is particularly true of the inquiry into personnel recruitment and employment practices. We have concluded that the underlying cause for the breakdown of the normal channels of recruitment in supplying the Government's personnel needs is not the impact of sharply intensified emergency requirements alone. The cumbersome and obsolete procedures, are, in fact, not adequate for either emergency or peacetime use. Practices and concepts, adequate in 1883, need to be brought into consonance with the requirements of modern-day government.

Our systematic examination of the Federal employment structure leads to the following major findings:

1. Normal Federal policies and practices governing recruitment and selection are primarily based on the assumption that there will be a surplus of qualified applicants competing with each other for Federal positions. The realistic present and probable future situation, however, is one in which the Federal Government competes with private industry in nearly all labor markets and in many occupations for qualified applicants. During the last 12 years the entire Federal structure has undergone a mammoth expansion both in size and complexity. The civil service system has failed to effectively keep pace with the changing conditions, with a consequent endangering of merit principles.

2. Traditional methods of examining and announcing examinations reach only a part of the available labor market in most occupational categories and not necessarily the best part of that market. They are costly and wasteful in times of pentiful labor supply and especially

so in emergency periods since they tend to result in poor utilization of our total manpower resources.

3. Speedier and more positive methods, which were used to recruit 47 percent of the Federal work force, do not fully meet merit principles. Such positive methods of recruitment tend inevitably to bring the danger of wasteful and inefficient employment practices. They fail, therefore, to assure that the Government is getting the most out of its manpower dollar.

4. Formalized central recruitment through Civil Service Commission registers, which accounted for only 7 percent of those hired in the Defense Department and 22 percent for the Government as a whole, is too far removed from the work level and is applied to occupational categories too broad to permit careful selection and placement. In this sense, it fails to secure the best qualified personnel and impedes the maximum utilization of our total skills resources. Costwise, central recruitment and examining by the Civil Service Commission dissipates limited Commission resources and diverts the staff from areas of personnel staff guidance, research and leadership.

5. The system of 1,800 United States employment offices supervised by the Labor Department, which taxpayers are now supporting with annual appropriations in excess of \$100 million, accounted for less than 13 percent of Government hires. Though this nationwide system of offices has existing facilities and the greatest potential for testing and channeling qualified workers into Government employment, it is not utilized in the regular recruiting and examining programs of the Civil Service Commission and the boards of civil service examiners.

6. Formal qualification standards which have been established for broad occupational groups of Federal positions are based on factors which appear to bear an insufficient relationship to ability to perform the work of actual jobs. Other factors which appear to bear a closer relationship are often given no weight and the standards are not readily responsive to supply-demand relationships. To the extent that they are unrealistic in job specifics and fluctuating labor markets, they obstruct the maximum utilization of our manpower resources.

7. Existing examination procedures have not proved adequate to rank applicants in an exact order in terms of their predicted ability to perform on jobs as contemplated by the Civil Service Act of 1883 and the Veterans Preference Act of 1944. This is particularly true of unassembled examinations and direct-hiring examinations which use only a rating of training and experience. Such examining procedures were used in 80 percent of all formal civil service examinations announced during the year ending June 30, 1952.

8. The present procedures governing the establishment and maintenance of closed registers of eligibles are not consistent with the principles of open competition and appointment on the basis of merit. They tend, therefore, to deprive the Federal Government of needed manpower skills.

9. The present civil service system of appointing applicants is hampering the recruitment of all categories of personnel. It is injuring morale, reducing incentive to work efficiently, increasing turnover and placing a premium on direct, noncompetitive hiring.

10. Present civil service selection procedures unduly restrict the appointing official in effectively matching individuals to jobs and

frequently result in the appointment of marginally qualified people. The loss to the Nation in lowered production goals, lowered efficiency and morale, and in unnecessary employee turnover requires correction within the existing framework of congressional intent.

11. The provisions of the Veterans Preference Act of 1944 which permit unqualified veterans to qualify on the basis of preference alone without attaining passing grades; and which give special preference for noncompensable disabilities, both impair the quality of selection for Federal jobs and make it difficult to place those veterans in positions for which they are qualified and in which they can be successful. The subcommittee has ample evidence that these provisions have served to deprive many veterans from suitable Government employment, thus defeating the intent of Congress in passing the Veterans Preference Act.

12. The Federal pay system established by the Classification Act of 1949 imposes hardship on Government in its effort to attract fully qualified personnel. In some areas the pay of the lower-graded positions exceeds the going rate and tends to disrupt the industrial balance. In other areas the pay of lower-graded Federal jobs cannot compete with industry and vital Government production is lost. Generally, Government salary rates for technical and administrative specialists are so inflexible and salary adjustments on the basis of individual worth so restrictive, that incalculable damage is done to crucial defense programs. This problem is the subject of a separate study and report by the subcommittee and is cited here only to point up its impact on the recruitment and employment of personnel for Government jobs.

13. The tendency of the Congress to restrict the administrative responsibilities and prerogatives of the executive department by imposing unsound riders in appropriation bills has served to damage efficiency and economy in the recruitment, selection, and retention of workers. This is particularly true with the Whitten amendment, the Thomas leave rider, and personnel office staffing ratios of the type imposed in the Independent Offices Appropriation Acts of the last several years. These pieces of legislation have served to increase costs and promote inefficiency.

In examining and appraising the effectiveness of recruitment and employment practices in the Federal Government, the subcommittee has subjected each of these major problem areas to critical analysis and has formulated a program of changes and corrections which we believe will go far toward overhauling the basic defects of the Government's personnel machinery. These are treated in detail in the report. We are convinced that adoption of the program will save thousands of man-years in lost production and millions of dollars each year through improved recruitment and better utilization of our work force.

PART 1—SCOPE OF STUDY

In our study of recruitment and employment practices of the Federal Government, the subcommittee has conducted a comprehensive fact-finding inquiry into policies, methods, administrative rules and procedures, and underlying legislation. Our threefold objective has been to—

- (1) Appraise the real effectiveness of the employment process;
- (2) Identify inefficient, costly, and wasteful practices regardless of the source from which they derive; and
- (3) Suggest and sponsor measures to correct those practices which clog or cripple our governmental machinery.

In examining the employment process, it is important to recognize that the authority to appoint persons to Federal positions is vested in the President and heads of departments by the Constitution of the United States. This authority, however, is restricted by certain laws. One of the most important statutes governing Federal employment is the Civil Service Act of 1883. This act, to regulate and improve the civil service of the United States, established and authorized the Civil Service Commission to make regulations for, and have control of, open competitive examinations which will fairly test the relative capacity and fitness of persons for Government employment. The act further authorized the Commission to designate agency personnel to be members of boards of examiners to conduct examinations. Agency officials now nominate such persons for Commission approval.

DESCRIPTION OF EMPLOYMENT PROCESSES

The Civil Service Commission, therefore, regulates the manner in which persons may be considered for Federal employment in all agencies not specifically excepted from the Civil Service Act. Our study is concerned with the three main processes, and variety of influencing factors, by which the Commission controls the manner of employment. These three processes are:

- (1) Examinations conducted by the Civil Service Commission in its central and regional offices;
- (2) Examinations conducted by boards of civil service examiners; and
- (3) Direct hiring by the agencies.

Each of these processes is discussed below.

First processes—Commission examinations and central registers

This classic recruiting and examining process was chosen nearly 70 years ago when our entire Government was composed of less than 132,000¹ people of whom only 13,900 occupied competitive positions. Still used in 1952 for 22 percent of Federal recruiting, the process is carried on wholly by Civil Service Commission personnel in their central Washington office and in their 14 regional offices.

Step 1: An examination announcement, inviting applications from qualified citizens, is prepared, printed, and distributed, chiefly through the mails. The announcement covers all jobs of a similar nature in Government, describes generally the duties, and specifies examination requirements. Usually, a time limitation is placed on receipt of applications, a few days to several weeks or months.

Step 2: When all applications are in, they are rated against a predetermined rating schedule, and/or graded on the basis of a written or performance test. Numerical scores, or ratings, on a scale of 100, are assigned to each applicant. Those who achieve passing grades of 70 or better are termed eligibles.

¹ The average monthly hiring rate in 1952 was 90,000.

Step 3: A central register of eligibles in the Washington office or in the regional office for that region is established by ranking eligibles according to their numerical rating. Additional points are added to the numerical scores attained by preference applicants to achieve the final rating.

Step 4: In response to a requisition from an agency for eligibles to fill vacancies the Commission issues a certificate of eligibles.

Step 5: The agency makes selection from among the top three names certified according to Commission regulations governing the selection.

Step 6: The agency returns the certificate to the Commission and the names of unselected eligibles are reentered on the register for future certification.

A register is usually maintained by the Commission until all eligibles are selected for appointment or until it has become patently obsolete. Thus, a register in a particular occupational category frequently controls appointments in the Government for several years. At the beginning of fiscal year 1951, the average time lapse between steps 2, 3, and 4 was 191 days or over 6 months. By the end of the year, the Commission had cut the time to 83 days.

Second process—Board examinations

Partly because of the growth of our Federal establishment, and partly because of the inherent defects of time lapse and inaccuracy in the Commission's central examination system, increasing authority was delegated to boards of examiners, located in the agencies, composed of agency personnel office employees and operating supervisors, to conduct their own board examinations. These examinations follow the same procedure as Commission examinations in the first process. They are under Commission coordination and control. Frequently they cover certain occupations for all Government agencies in a geographic area, while boards of other agencies reciprocate by covering different occupations. Thus, boards certify eligibles to each other's sponsoring agencies.

The time lapse between steps 2, 3, and 4, for board examinations varies from 1 day to several months, depending upon the urgency of need for eligibles. In 1952 this process accounted for 31 percent of total Government hiring.

Third process—Direct hiring

Where there is no register of eligibles for a particular position, the Commission or the board authorizes the agency to use direct hiring authority. The agency is required to file a job order with the local office of the United States Employment Service and it may then undertake whatever measures it deems necessary to locate suitable applicants. It is required to consider, in order, disabled veterans, nondisabled veterans, nonveterans. Persons hired must meet minimum qualifications standards for the position as set or approved by the Commission.

Because of costly and cumbersome procedural requirements of the traditional Civil Service Commission and board examinations, and other reasons detailed in this report, direct hiring accounted for 47 percent of the Government total in 1952.

SOURCES OF INFORMATION

Though the subcommittee staff conducting this study represents substantial collective knowledge and competence in the field of personnel administration, it was deemed imperative that all steps be taken to assure a comprehensive, objective inquiry into all facets of the problem. For this reason, information was sought from a wide variety of sources, both in and out of Government, which it was felt could be of assistance to us.

Factual information, statistical data, detailed evaluations and informed opinions were drawn from nearly 40 departments, agencies, and field establishments of the Federal Government.

The subcommittee staff contacted directly and interviewed over 300 operating officials, line supervisors, and individual employees at all work levels in Government and industry. Previous surveys, studies, reports, and other literature were also analyzed for pertinent assistance.

Though a group such as ours, limited in size, time, and funds, is unable to exhaust or even assimilate all the available information in a field of this magnitude and complexity, the subcommittee believes that sufficient data have been assembled to adequately and clearly support the conclusions and recommendations set forth in the report.

Our warm appreciation is extended to all the interested groups, key officials and individuals for their whole-hearted support, invaluable assistance, and advice to our staff.

APPLICABILITY OF FINDINGS

The recommendations contained in this report are intended to apply only to those agencies now within the purview of the Civil Service Act and those agencies which may come under the act in the future. We realize that there exist in Government several agencies which are specifically exempted from the Civil Service Act. The subcommittee does not, however, consider it wise at this time to include these excepted agencies in our recommendations. Congress has seen fit to grant them additional flexibility in their operations and until the plans proposed in this report have proven equally flexible for the Government as a whole, these agencies should continue to operate their recruitment programs free of Civil Service Commission control.

PART 2—THE MERIT SYSTEM

The Civil Service Act provides and declares, as nearly as the conditions of good administration warrant—

* * * for open, competitive examinations for testing the fitness of applicants for the public service. Such examinations shall be practical in their character, and so far as may be shall relate to those matters which will fairly test the relative capacity and fitness of the persons examined to discharge the duties of the service into which they seek to be appointed.²

Out of this high and fit principle has emerged a procedural complexity which today bears the label of the merit system. The principle of the fitness of the person has been given secondary consideration

² Civil Service Act of 1883, sec. 2.

apparently through fear of personal and political patronage. The measure of relative capacity of the applicant has become entangled in a maze of legalistic and regulatory requirements far removed from the duties of the position to which the applicant seeks appointment.

The principle of open competition is frequently compromised by the closing of examinations. This is unfair so long as there are qualified citizens who wish to apply for Federal jobs which remain unfilled.

The fitness of applicants and their relative capacity to discharge their duties was determined in 80 percent of the formal examinations announced in 1951 on the basis of an artificial rating of what was written on an application form. Thus, the essential ingredient, the collection of human qualities which constitute an individual, his motivations and his capacity, is not measured.

The Civil Service Act does not restrict the fair measurement of fitness and relative capacity. The authors of the act, it is clear, were primarily concerned with a small Federal structure easily manageable by a centralized control organization. But it may fairly be presumed that they envisioned the impracticality of continued centralized management as our country grew and prospered. For this reason, they endorsed and made provision for the assignment of examining functions to Boards of Examiners which—

* * * shall be so located as to make it reasonably convenient and inexpensive for applicants to attend before them.

The sheer size of our Federal Government has forced assignment of functions to agencies to the extent that 848,104 appointments, or 78 percent of all hiring, in the year ending June 30, 1952, was accomplished by agencies through Boards and direct hiring. Over 505,000 of these appointments were made directly without regard to formal examining procedures. The Civil Service Commission and the Boards of Examiners, therefore, did not test the relative capacity and fitness of some 505,000 individuals now in the Federal service. Moreover, the absence of any kind of minimum publicity standards to govern this direct hiring and assure public notice to all interested citizens, fosters the danger of personal and political patronage.

An underlying cause for this failure to test for relative fitness and provide for suitable publicity is found in the procedural complexities and inflexible requirements imposed by the Civil Service Commission upon the Boards of Examiners. The formal examining system did not meet the needs of the Federal service for qualified workers. It failed to satisfy its purpose and Federal officials were forced to resort to faster and more expedient methods to find people.

When the Civil Service Act was passed in 1883, there were 131,200 employees in the entire Federal Government. Over 13,000 of these were in classified or competitive positions. During the next 16 years Federal employment increased at an average annual rate of 5,000 to 208,000 in 1899. By this time, 93,000 employees were in competitive positions and the Civil Service Commission during the 16-year period had examined applicants at the rate of 10,000 new appointments annually.

During the year ending December 31, 1951, one board of one field installation screened 76,000 applicants, rated 38,000 applications, offered appointments to 15,000 and placed on duty 11,000 new employees.

This one midwestern board exceeded the annual examining workload of the entire Federal Government in the 16-year period following passage of the Civil Service Act. Yet the examining process used in the Government today is essentially the one geared to that 1883 workload. It is evident that this horse-and-buggy system is ill-suited for a recruiting and examining job that now covers over 15,000 basic skills—two-thirds of those found in all of industry—and blankets the largest workforce in the history of the world.

The changing needs of the Government should reflect themselves in a continuous reappraisal of program relationships between the Civil Service Commission and the agencies, and of the general effectiveness of personnel policies and procedures.

In modern Federal Government, the role of the Commission is clear and within the framework of principles set down by the act: To prepare suitable rules which shall provide for open competitive examinations; and to make regulations for, and thus have control of such examinations.

Rather than establishing control through regulations and standards the Commission has historically sought the role of first-hand supervision.³ This has resulted in a jungle of red tape which has hindered agencies in achieving vital program objectives and obstructed the Civil Service Commission in developing and promoting a progressive program of personnel administration.

One Federal official expressed his views as to the proper role of the Civil Service Commission as follows:

The Commission's prime mission should be that of a consultative and auditing body, with strong emphasis placed upon the difficult task of selling the value, the honesty and the integrity of the Government service to the American people. In order to do this, the Commission should be relieved of its multiplicity of small time day-by-day operating functions. Instead of trying to recruit for everybody, and failing, it should decentralize that function to Government installations, who do it anyway under adverse conditions.

Instead of questioning and passing upon the validity of a single promotion, it should be promulgating, at the staff level, a basis for sound promotion policies and standards, so that the margin for honest error would be reduced. Instead of questioning the abilities of supervisors, it should be expending more effort in establishing criteria for selection of leaders. Instead of questioning individual position classification action, it should be providing clearer and better allocating standards to replace those that now exist, or better still, provide standards for the myriad of positions for which there are no standards at all.

Let us have a strong staff agency, the CSC. But let us place the operation of a sound personnel management program where it belongs—with the agencies and their field installations * * *. There will be a smaller, more efficient workforce; there will be less waste; there will be a higher caliber average employee in the Government—when the tools to make it so are provided. It is a good thing to look forward to.

The Civil Service Commission has made great strides to disencumber itself of operating detail through its program of decentralization. This is particularly true of recent forward-looking measures of the examining division as evidenced by its current board of examiners program.

³ The personnel director of one Federal agency which enjoys an excellent reputation in the field of personnel, but is not under the jurisdiction of the CSC, had the following to say: "The CSC system has been deemed by this agency to be inconsistent with our personnel management philosophy for various reasons, but primarily because it places emphasis upon the procedural processes and the mechanics of personnel transactions. It measures the personnel job in quantitative terms, rather than qualitative ones, and imposes restrictive centralized controls on personnel actions which basically require work level judgments. In addition, the CSC itself, gravitates toward actually performing operating personnel functions which are inherently a part of an agency's management responsibilities. While this is primarily true with respect to the functions of recruitment and examining, it also applies to certain aspects of classification and investigation."

We are convinced, however, that this policy of delegating operating tasks to the agencies and concentrating Commission efforts and resources on leadership in the broad field of personnel administration can be greatly accelerated by adoption of the recommendations contained in this report. This, we believe, will result in renewed emphasis of service to merit principles which have been in danger of eclipse through preponderant attention to the procedural system of the past.

PART 3—THE RECRUITING OF APPLICANTS

COMMON DETERRENTS IN OBTAINING SUFFICIENT APPLICANT SUPPLY

In its study of recruiting methods the subcommittee has found a number of existing factors which act as deterrents to obtaining a sufficient number of qualified applicants for Federal employment. Several of these deterrents to recruiting are listed below:

(1) *Inadequate Federal pay scales.*—Beginning at the grade level GS-5, \$3,410, and up, Federal pay is significantly below comparable jobs in industry. One large company, in a typical case, offers a college graduate with a 4-year B. S. degree and no experience, \$4,200 per annum. This is nearly \$800 higher than the Federal entrance salary. The same company pays \$6,000 and up for a college graduate with a Ph. D. degree and no experience, as against the Government's top of \$5,060. One agency reports that in a 9-month period with over 2,500 unfilled vacancies in 20 professional fields, they lost 900 people largely for pay reasons, and were able to recruit only 600 replacements. (Compensation and classification are being treated in another subcommittee report.)

(2) *Insecurity of tenure under current appointment and separation regulations.*—Though all Government positions are subject to annual appropriations of funds and budget allocations, the current practice of giving only indefinite appointments as contrasted with so-called permanent appointments has served to emphasize unnecessarily the instability of Government employment. This is true in all but the lower graded positions which have a salary advantage over industry in certain areas, and has impeded recruitment all along the line. We have noted a marked adverse influence on the attraction of high caliber scientific and professional personnel, as well as key administrative personnel.

(3) *Limited promotional opportunities.*—It is generally felt that industry offers a better opportunity than Government for advancement in position and salary if an individual merits such advancement. Limitations in Government which are not found in industry are length-of-service requirements imposed by civil-service qualification standards and by the Whitten amendment, and limitations of the Federal pay structure. These limitations do not give recognition to the employee based upon the real value of his services. Both have served to deprive the Government of many well qualified people.

(4) *Delays by the Government in giving definite offers of employment after interviewing applicants.*—The Government has many top qualified applicants who do not need to await the grinding out of appointment redtape when they can sell their services immediately to private employers, frequently at higher salaries. Least difficulty is experienced in this respect in direct hiring by agencies. Boards of Exam-

iners generally are not as efficient as they could be, and Civil Service Commission registers, in the hiring market which has prevailed in the last 2 years, are virtually impotent.

(5) *Adverse effect of personnel office staffing ratios as imposed by legislation.*—In many cases, this has limited the employment of skilled recruiters and resulted in the use of high-priced line operating officials to perform routine recruiting functions.

(6) *Insufficient housing and commutation facilities in many geographical areas.*

(7) *Inadequate fringe benefits to Government workers in comparison with those offered by private employers, such as free hospitalization, low cost eating facilities, recreational activities, etc.*—The parsimony of the Government in instances where such policy appears not to be warranted, is illustrated in a ruling by the Comptroller General that proceeds from soft drink, candy, cigarette, and other coin machines on Government premises must be turned into the Treasury Department and could not be used for the support of employee recreational and other activities.⁴ A Federal official in the Philadelphia area has estimated that Federal pay rates for stenographers, generally considered liberal, are at least \$10 a week below those offered by private industry when fringe benefits are considered.

(8) *Lack of Federal authority to pay for such items as the movement of dependents and household goods to the first duty station, and for travel to be interviewed for Federal employment.*—These policies have gained wide usage in industry and place the Government at an appreciable recruiting disadvantage.

(9) *Delays in appointment because of security investigations has in many cases been excessive and resulted in the loss of qualified people.* (This problem is being treated in another subcommittee report.)

(10) *The unrealistic maximum of \$9 per diem and travel allowances of the Government have impeded the recruiting of qualified applicants whose duties would involve constant or frequent traveling.*

(11) *Recruiting of applicants for assignment at isolated or otherwise undesirable locations without compensating salary, leave and other benefits usually recognized by industry.*

(12) *Indiscriminate attacks on Federal employees which reflect on their integrity, ability, and industry have seriously damaged the prestige of Government employment.*—This has done incalculable harm to the productivity and morale of present employees and undermined the attraction of high-caliber applicants to the Government service.

This report treats with several of the above common problems and recommends specific solutions where feasible.

ATTRACTING APPLICANTS FOR FEDERAL EMPLOYMENT

Another major topic related to the recruiting of applicants is the means whereby knowledge of the job vacancy is conveyed to applicants. Providing an opportunity to all interested and qualified persons to apply and compete under equal conditions for jobs, whether in Government or industry, is essential if the principle of open competition is to be maintained.

Publicity of job openings is the indispensable means whereby the knowledge of the job vacancy is conveyed to the potential applicant.

⁴ Modified by Comptroller General's decision B-11230, dated December 10, 1952.

Officials responsible for recruiting have run the whole gamut of ingenious methods to attract applicants. Some of these methods⁵ are:

- (1) Newspaper and magazine publicity, free and paid;
- (2) Free radio and television time;
- (3) Personal contacts and speaking engagements with schools, veterans' organizations, labor unions, churches, professional associations, YMCA's, etc.;
- (4) Participation in placement and employment conferences with organized groups of young people;
- (5) Window displays, posters, and bus cards;
- (6) Direct mail solicitation; and
- (7) House-to-house canvassing.

The traditional and chief publicity device employed by the Civil Service Commission, and required for use by agency boards, is the examination announcement.

Our inquiry has found no general agreement as to the relative effectiveness of the various methods of attracting applicants in terms of quality, cost, and speed. All methods are effective if used when needed. The most costly method is the one not used if it would be productive of qualified applicants when other methods fail.

The subcommittee believes there are four major areas where improvements are needed to modernize Government recruiting publicity methods:

- (1) The formal examination announcement.
- (2) The prohibition against paid advertising.
- (3) The utilization of the United States Employment Service.
- (4) The need for the Civil Service Commission to promulgate minimum standards for publicity to assure equal opportunity of competition.

These four areas are discussed below.

Use of the examination announcement

This device is "an official notice inviting applications from the public for consideration in an open competitive examination to establish a list of eligibles for filling positions in the Federal Service subject to the Civil Service Act."

In evaluating the use of the examination announcement, the subcommittee sought answers to two questions:

- (1) Is it an effective applicant attraction device?
- (2) Does it bear a reasonable cost ratio to results obtained in comparison with alternative methods which are or might be used?

An average announcement runs around 3,000 words. Some are very comprehensive. One consolidated announcement⁶ in booklet

⁵ One large Federal establishment reported:
"Beginning in July 1950, we started the job of making our installation, its mission, its equipment, its challenge to researchers, the rarity and interest of its problems known to as wide an area as possible. Personnel visited engineering and scientific colleges not just to recruit but to explain our installation. A movie was made (at a cost of \$30,000), copies of which were loaned to schools and technical societies to graphically portray the things that make up a great installation. Our professional and personnel people made scores of speeches and demonstrations before technical groups, civic groups, church groups, etc., to build up interest in our installation. Today applications are received from professional people who are interested only in working for us and are content to wait for openings."
⁶ No. 4-34-3 (1952).

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form covers 36 pages and cost \$2,352 to print 70,000 copies. In 1951 there were 13,462 announcements issued. For nationwide announcements prepared by the Civil Service Commission or by boards and distributed by the Commission, a minimum of 55,000 copies are printed at a cost ranging from \$500 to \$3,500 per announcement. For announcements of limited distribution by field service boards an average of 12,000 copies are printed or otherwise duplicated at an average cost, including clerical time for distribution, of \$350 according to one agency's estimate. In our study, the lowest cost reported for printing of an announcement was \$75. This was done at a Federal penitentiary at the request of an agency. A similar announcement was multilithed at a cost of \$385.

The subcommittee estimates that during 1950 and 1951, 378,570,000 copies of examination announcements were printed or otherwise duplicated and distributed at a cost of over \$10,500,000. This does not include the cost of printing and distributing subsequent amendments to the individual announcements; usually these are legalistic notices of little interest to the active job hunter, but they must receive the same distribution as the original announcement.

Though the cost of mailing these announcements is not charged to the agencies or otherwise reflected in recruiting costs, it is borne by the Post Office Department as penalty mail. Based upon the cost figure reported by the Post Office Department of \$0.0238362 per piece of penalty mail handled, the subcommittee estimates the cost to the taxpayers in excess of \$9,023,000. We were surprised to discover that this item alone in 1951 represented over 12.5 percent of all penalty mail handled by the Post Office. The inclusion of amendments would increase this percentage appreciably, as would the inclusion of subsequent penalty mail to applicants.

The basic distribution of all nationwide announcements, for examinations by the Civil Service Commission or by boards, goes to approximately 19,500 addressees and includes about 30,000 copies. In addition, special distribution goes to associations and other groups having subject matter interest in the examination. Bulk supplies are distributed to the Civil Service Commission regional offices for further distribution.

Distribution of announcements by boards (other than nationwide announcements which are sent to the Civil Service Commission in Washington for central distribution) follows the same basic pattern as the Commission distributor and varies, we find, from 1,000 within a 35 mile radius of the Board, to 30,000 usually within the Civil Service Commission Region. In 1951, Board announcements accounted for approximately 90 percent of the total of 13,462 announcements issued. The remaining 10 percent were issued centrally.

Based upon information reported to the subcommittee during the course of our inquiry, the following are estimates of average of all announcements issued in 1950 and 1951

Distribution of copies.....	14,300
Cost of duplication and distribution.....	\$402
Mailing cost to Post Office Department.....	\$341
Applicant response.....	358
Placements.....	34.6
Cost per placement.....	\$21.47

The above costs are for partially advertising the job vacancies as explained below, and do not include cost of preparation of the

subject matter of the announcement, cost of rating papers, cost of investigating applicants, cost of preparing registers and certifying eligibles. Neither does it include administrative and clerical costs attendant to correspondence resulting from the announcement, all of which could easily triple the above charges. The subcommittee was unable to make a valid estimate of these additional costs on a government wide basis, because neither the Civil Service Commission nor boards keep cost figures. A study of nearly 80 announcements in one agency, however, sets these costs at \$1,670 per announcement. Even this figure does not include the cost, mainly in salaries, of preparing the subject matter of the announcements; this is usually done by high graded operating officials.

An example of the costly and time-consuming procedures involved in the use of the examination announcement is illustrated by our investigation of one nationwide announcement selected at random from a bulletin board.

The need for this examination was initially determined in February 1952. Work on the examination announcement, however, was not completed until May 1942, or 6 months after the need for employees was felt. After issuance, the examination remained open, i. e., applications could be filed, for 3 months. Some 2,122 applications were received, of which 360 applicants were rated eligible. On November 18, 1952, when we made our investigation of this examination, not one individual had been certified from the register. The direct cost of this examination is estimated as follows:

Board members' salaries (pro-rated)	\$2, 078. 40
Distribution and printing of examination announcement.....	670. 00
Mailing	741. 00
Total	3, 462. 40

Six rating members (agency operating officials) with an average annual salary of \$9,000 spent a total of 480 hours away from their normal operating tasks rating the applicants.

The surprising thing is that initially the agency had a total of only 128 positions which would be covered by this announcement, with 94 jobs filled and only 34 actual vacancies.

Excessive costs are not confined to nationwide announcements. In another announcement, issued by a local board on the west coast, where only 3,700 copies were distributed, 12 applicants responded, 9 were rated eligible, none were hired. The total cost was \$1,095.

A board in Pennsylvania distributed 25,500 copies of an announcement, received 350 applications, rated 125 as eligible and hired five. The total cost was \$2,478 or \$495.60 per applicant hired. In another examination by the same board, \$3,045 was spent to hire 20 people at an average cost of \$152.25.

In the above examples, the subcommittee emphasizes that the costs are for attracting and rating applicants. They do not include costs of referring eligibles to the agency personnel office where additional investigations and interviews are conducted, their availability is determined, they are referred for selection to operating officials and are subsequently placed on the payroll.⁷

⁷ An indication of this additional cost is found in the figures reported to us by one agency. Of 371 names certified by the Board, 121 or 33 percent were not selected after additional investigation or interview, 86 or 23 percent declined offers of appointment, and 11 percent failed to reply to inquiries from the agency or they had moved without leaving a forwarding address—a 67 percent error. While this seems to be typical experience, there are extremes. One agency personnel office reported unfavorable results after circularizing a clerk register at 100 to only 1 hire. Declinations by eligibles frequently run 50 percent or better.

In considering the efficiency of the announcement as an applicant-attraction device, we found that as of January 1952 over 6,000 announcements were on an open-continuous basis. Efforts to measure the cost and efficiency of this type of announcement lose all meaning. The reasons for this are threefold:

(1) Open-continuous announcements are issued only for shortage categories of manpower, or where supply approximately equals continuing demand.

(2) In such cases, agency positive and direct recruiting activities serve to locate applicants who are subsequently hired under the terms of the announcement.⁸ In these situations, the announcement, as an applicant-attracting device, is virtually useless.

(3) Though the announcement is credited with finding and examining the applicant, the real cost and credit lies with the agencies' direct recruiting methods.

This situation is not a result of the Korean emergency. For example, a board in New England issued an announcement in 1946. It was amended in 1947 in the form of a pamphlet of 15 pages and 75,000 copies were printed. In December 1952, 5 years later, this announcement is still open with no indication it will ever meet the requirements of the three small field stations it serves. As a practical matter, its purpose has been to bless direct recruiting activities of the agency in order that applicants found may be hired competitively. Technically, the announcement serves to provide the publicity necessary to maintain the principle of open competition. Actually it serves no real purpose at all since publicity is the process of conveying knowledge of vacancies to potential applicants, and this is done through other agency efforts when job applications are needed.

One agency has reported to us that in a study of 390 employees, most of whom were hired through their board, only 10.5 percent initially learned of the vacancies through the examination announcements or by being referred to the announcements. Thus, nearly 90 percent of this board's success was possible only through direct recruiting activities of the agency.

Many agencies have reported to us that they regularly "beat the bushes" for applicants and subsequently hire them through the appropriate examination announcement of their own board, boards of other agencies, or the Civil Service Commission regional and central offices.

An agency in Chicago reported that even though the Civil Service Commission regional office had open examination announcements for clerks, stenographers, and typists, the registers were unable to supply the demands, and the regional director gave authority to the agency board to issue announcements. The personnel officer says:

In order to attract the highest caliber of persons, we resorted to television, radio, and fliers in correspondence. We had almost 9,500 applicants on the clerk examination and 3,300 applicants on the stenographer-typist examination. This response was in spite of the fact that the Commission had an open continuous examination and were unable to fulfill the needs of the agencies as the registers were exhausted. The difference I attribute solely to the fact that we used broader publicity measures than ordinarily used by the Commission.

⁸ One agency reports: "All appointments made, approximately 420, as a result of our field recruiting trips, were under Board of Examiner jurisdiction. In effect, this was recruiting under terms of an open-continuous examination."

A defense agency reports:

It must be pointed out that the 70,000 employees recruited through civil service local boards do not truly represent a service to the agency by a unit of the Civil Service Commission. In actual practice, the board staffs are on our payroll and agency personnel carry the recruiting load of the boards by developing qualification information, direct recruiting, persuading applicants to apply, and submission of applications to the local board for board approval. The boards, in effect, perform a certifying rather than a recruiting function.

On the basis of the evidence submitted to us, the subcommittee concludes the following:

(1) The examination announcement is not an effective applicant attraction device under conditions of manpower shortage or where supply balances continuing demand.

(2) To some degree, it must be augmented by other more direct recruiting devices under all conditions. The Civil Service Commission recognizes this by issuing press releases whenever an announcement is issued. One field station routinely issues 1,745 copies of press releases in addition to the announcement.

(3) Frequently the main purpose it serves is technical compliance with the requirement of publicity under the principle of open competition.

(4) The average cost of \$743 for duplication and distribution alone appears excessive in relation to the results obtained in the form of new employees which may be attributed to the applicant attraction facility of the announcement.

There are two principal reasons for the failure of the examination announcement to serve its chief purpose, the attraction of applicants.

(1) *It is not directed to the potential applicant.*—Its basic distribution is to 9,000 post offices; 750 boards, themselves looking for applicants; 1,800 Employment Service offices, who have no formally established channel for referring applicants; college placement offices; veterans' headquarters offices; Members of Congress, etc. The announcement is either tacked to an already laden bulletin board, filed, or thrown in the wastebasket. As one Federal official has pointed out:

The present system of announcing examinations appears to be antiquated. The days when the post office was the focal point of community activities have long passed. The bulletin board in the post office is a poor substitute for real publicity. It is believed that the cost of advertising in major newspapers covering an area would be no greater than the cost of reproduction and distribution of announcements under the present system.

(2) *It does not attract the potential applicant.*—One agency has estimated that 25 percent of the space in an announcement is filled with legal requirements which are identical in all announcements. The balance of the announcement is dull, uninspired recitation of minimum requirements at various grade levels, examples of nonqualifying experience, and general descriptions of the broad field of work which in most instances has little relation to the actual job vacancy. A notable exception which has come to our attention is announcement No. 325 issued by the Board of the National Bureau of Standards, Department of Commerce. It invites interest from chemists, physicists, and other scientists. With 12 pages of pictures of work situations in laboratories and shops, and informative narrative discussion of the beneficial opportunities the applicant will find in the several agencies having vacancies, the announcement fulfills admirably its chief pur-

pose—the attraction of applicants. The legalistic business is condensed to one page, and the back of the pamphlet tells the applicant where to apply. Though this announcement is costly, \$3,437 for printing as reported by the Board, and it suffers the standard sterile distribution to bulletin boards, it is a first-rate recruiting tool used by agency personnel in positive recruiting campaigns.

Use of paid advertising

The Civil Service Commission reported an estimate to the subcommittee that during 1951, \$80 million worth of free publicity was given to presenting public messages of national importance such as the sale of defense bonds, forest-fire prevention, the need for student nurses, civil defense, and blood collections. In restating its policy against the use of paid advertising for Federal recruitment, the Commission cites these views:

(1) The use of paid advertising for Federal employment would seriously endanger presently available free publicity.

(2) The restricted use of paid advertising is administratively impracticable.

(3) The cost of full advertising coverage would be prohibitive.

(4) There are no indications that paid advertising would be more effective than presently available free publicity.

Agencies surveyed, both in Washington and the field have reported that the recruiting job would be faster, easier, and less costly if the use of paid advertising were authorized. For this reason, the subcommittee has subjected each of the Commission's views to critical analysis.

As a point of comparison, it has been estimated that the Armed Forces spend about \$4 million a year for military recruiting. In 1951 the mailing cost alone of examination announcements was \$4,428,098.

We have found no reason to believe that the use of paid advertising would endanger the public spirited cooperation of newspapers, radio and television in presenting messages of public interest. We do not wish to endanger such freely rendered public service. On the other hand, we have clear evidence that reliance on free publicity for Federal job vacancies is not meeting the needs of the service. The situation as we found it is accurately summed up by the words of one field official:

This station has been successful on a few occasions in obtaining local newspaper publicity on items of a reader-interest nature regarding plant operations. In such publicity, it has managed in a limited degree, usually only by inference, to invite attention to position vacancies. In one instance such cooperation was extended by a local managing editor; however, the advertising manager of the same publication later took a positive exception to the fact that such cooperation was extended in that this station on no occasion has used the publication's classified advertising services.

The subcommittee found the following free advertising buried on page 22 of a large metropolitan daily:

Veterans' Administration says it has "urgent" need for all types of architects and engineers to handle jobs throughout the country in its hospital construction and modernization program.

Such notices are infrequent in any one paper and do not begin to cover the personnel needs of the Government. One field station

reported to us that after searching through a newspaper for promised free publicity 3 or 4 lines were found in the obituary column.⁹

Based upon the mass of evidence submitted, the subcommittee concludes:

Except in unusual circumstances having newsworthy interest, free publicity does not provide an adequate substitute for paid advertising. Under newsworthy circumstances, free publicity will always be readily available regardless of the Government's policy as to paid advertising.

The subcommittee is convinced it is administratively practicable to authorize the use of paid advertising by boards in local communities. As an alternative to the work involved in preparing and issuing a multipage examination announcement, we believe the intelligent use of classified newspaper advertisements is much to be preferred and stands far greater chance of reaching the potential job applicant.

With respect to cost, as pointed out above, a single examination announcement costs over \$700 to duplicate and distribute through the mails. The attraction of applicants is then augmented by a variety of other costly means. A 3-inch classified advertisement in a large metropolitan daily newspaper with an average circulation of around 200,000 costs \$17 and comes within immediate reach of the job applicant.

Of more serious consequence is the fact that agency personnel officials do not have an effective means of reaching potential applicants immediately, when they are needed. This results in countless thousands of unfilled vacancies, lost work output, and the cutting back of production goals.

Use of Employment Service offices to attract applicants

In reply to subcommittee query as to what shortcomings, if any, there are in agency board procedures which have made them unable to meet the agency's personnel needs, a Government official stated:

The most prominent one is the need for a provision whereby an advertisement in the newspaper, or placing job order requests with the Employment Service office, could be considered as an examination announcement. This would enable a board to comply with the spirit and intent of the merit system and avoid the excessive cost and time required in issuing and distributing a formal announcement.

There are approximately 1,800 Employment Service offices located in every important labor-market area in the United States. This represents a detailed and vast body of knowledge on employment conditions that is of great help to any employer and of special value to the Government. These offices are supported 100 percent by Federal funds, with annual appropriations exceeding \$100 million. In 1951, they made over 7 million industrial and private employer placements and had over 300,000 veterans in their active files seeking work.

In view of this, the subcommittee was surprised to discover that the Civil Service Commission does not encourage the filing of applicant orders with Employment Service offices for jobs which are being

⁹ Other typical comments:

"The use of the press, radio, and television is the result of charity of the editor or station manager."

"Newspaper and radio free publicity is held in little value."

A top official in a large Washington agency says: "The necessity of constantly requiring free publicity leaves the Government at the mercy of private individuals who operate such media, and decisions to give or not to give publicity may be directly related to such individuals' political philosophy, feeling about particular Government programs, etc. Even when publicity is obtained, it is very often presented inadequately and in such a fashion that it is not at all favorable."

examined for by boards or the Commission itself. This represented 53 percent of Federal hiring in 1951. Copies of examination announcements are mailed to each office, but no order is placed for recruiting assistance or referral.

The Commission has, however, concluded a cooperative agreement with the Employment Service for the referral of applicants for direct hiring by agencies. In 1951, this type of hiring accounted for 47 percent of the total, of which approximately one-fourth or 125,000 were referred by the Employment Service.

A defense agency, with annual hires around the 200,000 mark, described the situation as follows:

The United States Employment Service has given us excellent assistance on the whole, even when given only a small part of the job to do because of restrictions on the use of their services. They have provided us with a good number of qualified referrals, and have publicized our vacancies on a local, statewide, and nationwide basis as required. They have set up statewide drives for us in some cases. Where necessary, they have paid for publicity for our vacancies. They have provided office space and advance publicity for our recruiting teams in any city we have visited and have helped to steer our teams away from less fruitful areas toward more fruitful ones. In tight labor markets, they have given us top priorities, when necessary, to assure that our jobs did not suffer because of competition. We have barely begun to use the assistance which the USES has shown itself able to provide in most areas.

In a recent survey of recruiting activities of nearly 200 companies, a private research organization concluded that the help the USES offices can give employers depends to a large degree upon the cooperation the employer gives the USES. Seeking such help, the placement manager of a large corporation ranked the State employment service second only to a "promotion from within" as a method of recruiting office workers, and first for labor classifications. A number of other employers in the survey reported similarly.

As an example of the recruiting assistance the Employment Service is capable of performing, Mr. Arthur W. Motley, Assistant Director for Employment Service, Bureau of Employment Security, testified before the Subcommittee of the Committee on Appropriations, House of Representatives, 82d Congress, as follows:

I would like to give you the results of one of our recruiting activities with the contractors who had the Greenland base which is called the Blue Jay project; 96 percent of all workers that were recruited for that project last year were recruited through our local employment offices. That included all grades and types of workers from skilled workers to laborers.

The above recruiting was performed in 17 States, mostly west of the Mississippi. It was an exceptionally difficult task since the project at that time was secret and no information could be given out as to the work location.

The subcommittee analysis of all the data submitted to us in written reports and in interviews with competent Government officials and industry representatives in Washington and the field, leads to the following conclusions:

(1) Though the nationwide network of Employment Service offices are supported out of Federal funds and under Federal policy control, its applicant attraction, testing and referral facilities are authorized for use in less than one-half of Government hiring. Even for this portion, its facilities are utilized on a minimum, uncoordinated basis and usually derives from local ingenuity and cooperative effort between the agency and the Employment Service manager.

(2) Failure to utilize these offices as a primary source for all Federal hiring is an extremely costly mistake in several respects:

(a) It deprives the Government of the services of a going organization composed of 16,000 placement counselors and other technicians, including 1,800 Veterans Employment representatives, whose full-time function is the placement of job applicants.

(b) It deprives the Government of ready access to the total manpower availability of a community. The subcommittee has already noted that in 1951, the Employment Service offices had over 300,000 job-seeking veterans in their files. Under existing procedures, these veterans, as well as countless thousands of other qualified workers, were not referred for Federal employment conducted through Civil Service registers and boards of examiners. (For a description of other Employment Service functions and activities carried out by the Bureau of Employment Security, see pt. 10 of this report.)

Standards of publicity for open competition

The Civil Service Commission has long held a view that—

(1) The principles of open competition and in the creation of a competitive situation, i. e., enough applicants as contemplated in the Civil Service Act and the Veterans Preference Act are fully complied with by the issuance of an examination announcement;

(2) Adequate publicity and a competitive situation with respect to the supply of applicants are lacking in direct recruiting and hiring activities of the agencies.

The subcommittee subscribes thoroughly to the principles underlying the Commission's viewpoint. As pointed out earlier, however, the Commission has not adopted a realistic course of action in assuring adequate publicity which will effectively produce applicants.

Reduced to its essentials, the Commission has established two standards governing the publicizing of vacancies:

(1) For hiring done under the formal examining process, i. e., boards and the Civil Service Commission itself, the universal requirement is the examination announcement. The subcommittee has found that this is not a reliable applicant attraction or publicity device. Agencies have no alternative or discretion in its use. Since it is time-consuming, costly in terms of lost production as well as immediate expenditure, and ineffective, agencies have frequently abandoned the formal examining process in favor of more direct and productive methods.

(2) For all other methods of hiring, i. e., through the exercise of direct hiring authority, the single publicity standard established by the Commission is a requirement to list applicant orders with the Employment Service office. The Commission itself, however, does not feel this is a satisfactory standard. They report:

The open continuous examination announcement provides the publicity and public notice of vacancies that is usually lacking in the case of direct hiring.

Under either method, the agencies may and do undertake whatever publicity measures are necessary to attract applicants. In placing job orders with the Employment Service, the latter has frequently run classified advertisements listing agencies' needs and in at least a few instances which have come to the attention of the subcommittee, the name of the agency is included in the advertisement.

The subcommittee has much evidence that the Civil Service Commission has been extremely helpful to agencies in many cases in assisting them with other publicity efforts. Usually, however, this help is given on an informal basis and, too often, only when agencies take the initiative in seeking it.

The subcommittee concludes that the present standards governing the publicizing of vacancies in the Government are inadequate and unrealistic:

(1) The examination announcement, as the official standard for competitive examination, restricts the agencies' use of the formal examining, i. e., the board process. The time-consuming, cumbersome use of the announcement has been a chief contributing factor to the decision of agencies to hire 47 percent of their employees through direct methods in 1951 when speed was of the essence of defense programs.

(2) The requirement that agencies list vacancies with the Employment Service offices is limited to direct hiring activities. The Employment Service could be used as a continuing source of supply for all Federal hiring, including the formal examining process.

(3) We question whether the requirement that agencies list vacancies for direct hiring with the Employment Service offices constitutes, in itself, a satisfactory standard for publicizing Government vacancies. We believe that more positive standards, or guides, based upon the quality of applicant response, could well be promulgated by the Commission.

Recommendations

The following measures are recommended for the improvement of the applicant-attraction process:

(1) The requirement that the traditional examination announcement be issued before any competitive examination may be conducted should be modified to allow discretion to the issuing board. Since 90 percent of announcements are issued in the field service by local agency boards, and are in most instances intended to draw upon the local and adjacent communities for applicants, decision as to whether a formal examination announcement would prove productive and should be used in a specific situation, should rest with the board.

(a) Distribution lists of announcements, when used, should be critically reviewed. Distribution to points of probably sterile applicant response should be discontinued.

(b) When announcements are issued, they should be designed to attract applicants to the Federal service, rather than to repel them with a dull recitation of legalistic requirements and minimum standards.

(2) The Civil Service Commission is requested to prepare and submit to the Senate, new standards to govern the publicizing of all Federal job vacancies designed to assure equal opportunity of competition regardless of the authority under which applicants are sought for hiring.

(a) These standards should be based not upon mechanical means primarily, but upon the desired kind and quality of applicant response. Though they should include the requirement of listing all Federal job vacancies with the appropriate servicing office of the United States Employment Service, they should emphasize joint minimum measures

which should be undertaken to satisfy the principles of open competitive examination with respect to the publicizing of vacancies.

(b) Provision should be made for the discretionary use of a newspaper or other public announcement on either a paid or unpaid basis, where locally desirable, as a formal announcement of examination.

(c) Such standards should give full recognition to the Commission's inherent responsibility to assure compliance therewith.

(3) The Bureau of Employment Security, Department of Labor, is requested to prepare and submit to the Civil Service Commission for its approval, with a copy to the Senate, a draft of procedure under which the Bureau, on a national basis, and the respective managers of the Employment Service offices, on a local basis, will coordinate paid and public service advertising of Federal employment requirements.

(a) On the local level, such a procedure should recognize that each agency activity will recommend to the Employment Service manager the type and scope of advertising necessary within the framework of Civil Service Commission standards. The manager should be responsible for the coordination, approval and placing of all local paid employment advertising for the Federal Government in the most efficient media and at the most advantageous cost to the Government.

(b) On the national level, the procedure should contemplate the coordination, approval and placing of paid advertising in national media under the most advantageous circumstances to the Government.

(c) The cost of paid advertising will be borne by the requesting agency.

The subcommittee believes that with the full integration of the existing Employment Service office facilities into the Federal employment process, and the elimination of unnecessary duplication of facilities, together with improved efficiency in filling Government vacancies, millions of dollars annually can be saved. Currently, the Government is spending at the rate of \$1,000,000 a month preparing printing and mailing examination announcements alone. Though the subcommittee does not recommend that this device be eliminated altogether, we do believe that with the intelligent use of paid advertising, together with other measures we recommend in this report a large part of this \$12,000,000 annual bill will be saved, after compensating charges are made for other more effective forms of advertising.

OPEN COMPETITION FOR FEDERAL EMPLOYMENT

As defined earlier in this report, open competition is the process of providing an opportunity to all interested and qualified persons to apply and compete under equal conditions. This principle derives from our democratic form of government and is safeguarded by provisions of the Civil Service Act of 1883. The act also permits intelligent interpretation of the principle, by allowing flexibility with the provision, " * * * as nearly as the conditions of good administration will warrant."

In our inquiry, we have identified several civil-service rules, regulations, or procedural requirements which tend to nullify the principle of open competition but which, presumably, are necessary as conditions of good administration and, therefore, serve the larger interests of the Government and the Nation.

Two such rules, however, the subcommittee concludes are not made necessary by the conditions of good administration, but are imposed solely to accommodate the procedural system:

(1) Limiting to four times a year the right of disabled veterans and certain other persons to "reopen" examinations. Though this is permissible under the Veterans Preference Act of 1944, we believe the provision has cost the Government the services of many qualified veterans and has, of course, deprived them of the right to receive immediate consideration for Government vacancies, perhaps when they sorely needed employment.

(2) Placing time limits on the filing of applications. Historically, this results in the establishment of a "closed" register from which eligibles will be certified not only for current vacancies but for the life of the register, a period in some cases of several years. (See First process, p. 9.)

(a) It immediately disqualifies persons who may be far better qualified than those who filed, but who for one reason or another were unable to meet the time limitation. This situation may exist before a single appointment has been made.

(b) Of more serious consequence is the long-range effect of the rule. It tends to depress the overall quality of Government employees and reduce productivity to a minimum standard of acceptability. The reason for this is obvious. Though initial appointments may be of high quality, as the register is depleted, appointments are made from among those barely passing. The Government in fact is in the position of hiring the dregs of the market even though highly qualified persons, including veterans, may be lined up waiting to get in.

The subcommittee is cognizant of the numerical rating requirements imposed upon the Civil Service Commission by legislation, and other administrative conditions with which the Commission has had to deal in establishing a workable system. We believe, however, that our recommendations, as set forth in this report, will largely correct these inequitable and costly rules.

UTILIZATION OF FEDERAL EMPLOYEES WHO ARE REDUCED IN FORCE

In terms of availability, the on-duty work force of the Government is an immediate manpower asset. Retaining and utilizing this force is the cheapest and most effective means of manpower management. The force is trained, it is on the job. It does not need finding, examining, and all the loss in time and money associated with the recruiting, appointing, and training processes.

For this reason, the subcommittee inquired into the utilization of this work force as operating programs are cut back. We found that there is no fully effective means for utilizing the services of these employees. They are simply separated through the time-honored reduction-in-force process and left to shift for themselves. Rather than face such treatment again, many turn to private employment. Others pound the streets searching for new Government jobs.

There are two exceptions to this hopeless procedure. The first and most effective, according to our findings, is the ingenuity and initiative exercised by agency personnel officials who are actively recruiting by seeking out agencies who are reducing their force. The Civil Service Commission frequently, but not uniformly, serves as a clearinghouse

for this information. Other clearance methods have been developed locally. The Federal Personnel Council in Philadelphia, for example, under the auspices of the regional civil-service director, has performed a notable service in this respect. The council, through its personnel officers, has additionally taken every means possible for placing qualified workers in industry when their services were not needed in Government.¹⁰

The other exception is the displaced-career program which has worked in Washington to some extent but rather ineffectively in the field service. This is the system by which the Civil Service Commission refers the names of displaced employees to hiring agencies for consideration on a priority basis. It is limited to so-called permanent employees, an estimated 55 to 60 percent of our total present work force.

The subcommittee believes that, as a matter of sound management, every means should be employed to facilitate the transfer of qualified employees from retrenching organizations to other Federal organizations having need of their services. Secondly, we endorse the principle of assisting qualified Federal employees to gain suitable employment outside the Government when the Government has no immediate need for their services. By maintaining good will, these people with their skills and qualities constitute a potential asset of the Government.

Recommendations

- (1) Employees who are reduced in force in any area should register with the appropriate Employment Service office which serves the area.
- (2) The Employment Service should refer all such reduced-in-force employees for consideration against vacancies reported currently by boards of examiners.
- (3) The Employment Service should facilitate the placement in private industry of all reduced-in-force employees who are not placed in other Federal positions.
- (4) In general, agencies should aid the Employment Service to plan for the most effective placement of employees to be reduced in force by reporting such retrenchment plans to the Employment Service as early as practicable and otherwise collaborating in plans for employee placement.

FIELD RECRUITING TRIPS

Probably one of the most important services the United States Employment Service has rendered to Government agencies has been

¹⁰ " * * * The Federal Personnel Council in Philadelphia has established a very workable scheme among its members for utilizing persons being reduced in force by other agencies. These council meetings are held at least once a month and, since it is customary to give at least a month's notice before RIF, any agency having an RIF can announce it at the meeting. In this way, personnel officers receive advance notice of an available source of help. When this office went into RIF last June, as a result of the Servicemen's Indemnity Act, 1,100 persons were put on notice of RIF. The personnel office contacted all the Government agencies in the area and publicized it with the chamber of commerce and with private industrial firms through the Industrial Relations Association. As a result of this publicity, less than 400 of the 1,100 persons went out without having some other employment. As a result of this publicity, and the interviews coming from it, I believe the Government worker was given a great boost in the eyes of the industrial plants that participated. The American Telephone & Telegraph Co. at the time was looking for some long-line operators. When their personnel director was contacted and told of the availability of these persons, he had an attitude that these persons would not fit into their scheme of things. When it was pointed out that he would lose nothing by having an individual come up and interview a few of them to see if any of them would fit, he consented to send a representative. This representative was so impressed by the caliber of persons employed by this office, who were being let out, that she called her office and asked for additional assistance. As a result, 5 interviewers spent over a week in this office interviewing persons being reduced in force. Many of the other companies utilizing the employees made available were equally impressed and were free in their praise of the employees they were able to hire."

assistance in field recruiting.¹¹ This, however, has apparently not worked as effectively as it could.

When applicants are not available locally, and an agency decides it is necessary to recruit elsewhere, it must request approval from the Commission regional office. If the recruiting is planned for outside the region, the regional office must clear with the regional office wherein the recruiting is to be done, which in turn clears with the Employment Service regional clearance officer. That officer clears with the employment service manager in the city where the agency wishes to recruit.

These clearances are intended to accomplish two purposes, i. e., to prevent simultaneous recruiting in one locality by two or more agencies, and to channel information to the recruiting agency as to labor supply and other conditions for their consideration.

With everyone getting into the act, the subcommittee finds there is little or no overlapping of recruiting teams, but the second purpose, the provision of labor market data, is frequently not achieved. In planning a recruiting itinerary, this is probably the most important factor for consideration. For example, the subcommittee staff found a representative of a Washington agency recruiting for stenographers and typists in Dayton, Ohio, a critical shortage city where any hiring by the recruiter would probably be at the expense of the Air Force, the major employer in the area. Upon questioning, the recruiter advised our staff that knowledge of the labor supply situation had not been conveyed to him or his agency in Washington when the trip was planned. He had planned to spend at least a week in Dayton, but when he arrived and learned of the situation, he cut his trip short by 2 days as soon as he was able to adjust his itinerary.

One agency reports:

The role of the Commission could be improved by taking away their power to prevent an installation from recruiting. Last year we were refused permission to enter two regions, even though colleges expressed a desire to talk with our representatives.

The Civil Service Commission has reported that during the period from July 1, 1951 to March 1, 1952, their offices authorized agencies to make a total of 439 field recruiting trips outside of the agencies' local areas. A total of 7,730 man-days were spent hiring or securing applications from 12,960 people. These covered a wide variety of occupations from engineers and physicists to stenographic and clerical occupations for both domestic and overseas positions.

¹¹ A large field station reports as follows:

"The Employment Service disseminates advance publicity, which is written by us, spot announcements on the radio, articles in local newspapers, and provides space for placing posters in their windows and posting lists of jobs for which our recruiting officer has vacancies. The Employment Service sends out individual letters in advance of our recruiter's visit to their claimants and applicants, asking them to call at the office on a particular date. For example, on our last recruiting trip to ———, the manager sent out about 350 letters. The receptionist or the information clerk makes a preliminary screening of all applicants according to age, sex, and ability to perform the duties of the position. They provide suitable desk space. Where facilities are available, they perform tests of a technical nature which are acceptable to our recruiting officer, such as typists and stenographers. The manager of the Employment Service office gives honest information on applicants. The manager has taken our representatives to service clubs, such as Kiwanis, Rotary, and and veterans' organizations, and explained our employment problems and has given our officer an opportunity to make a short talk and answer questions. During lulls in the recruiting campaign at the employment office, it is not unusual for the compensation officer to take our representative on scheduled trips to meet other applicants.

"The local employment office manager can be of great assistance. By eliminating individuals who are not good employment risks, he can save time, training, and money for Government agencies."

The subcommittee queried agencies as to whether the Civil Service Commission could have recruited successfully for these jobs. The following is a typical response:

All positions were "on order" with the Commission. They were unable to supply adequate eligibles. If they could have the personnel, the funds and the knowledge of the sources, they could probably have recruited successfully for stenographers, typists, and some lower level positions. Recruiting for professional and technical positions requires an intimate knowledge of the organizations, functions and duties of the positions. It is not conceivable that the Commission could acquire and keep current on such information in all agencies serviced.

It is not unusual on a recruiting trip for a personnel office representative to be accompanied by one or more operating supervisors. A large field station reported:

Inclusion of the latter personnel (operating supervisors) are considered necessary. Applicants are not satisfied to discuss employment with only representatives of the personnel office; they desire firsthand knowledge of the "ins" and "outs" and "whys" and "wherefores" of the job. They want this explained in technical terms. Too frequently personnel office representatives cannot meet this requirement. It is doubted if the Civil Service Commission could have undertaken this recruitment successfully because of inability to talk in terms of specific job requirements.

Some agencies have reported that in the main recruitment of scientific personnel has been performed by operating officials alone.

The Civil Service Commission and the Bureau of the Budget with an eye on the 7,000 man-days reported above, requested funds in the Commission budget for fiscal year 1952 to station Civil Service Commission representatives in major labor market areas "to prevent duplication, overlapping and poor recruiting practices." Congress did not authorize such funds, and this request was trimmed in the 1953 estimate to provide funds for Commission representatives to be stationed in 185 major Employment Service offices. In the opinion of the subcommittee, this would serve no purpose other than to duplicate staffs already available in the Employment Service offices. We doubt, in view of the above, that field recruiting by agencies would be trimmed to any appreciable degree, if at all, by the addition of 200 Commission advisors "to direct and coordinate" the work.

Broader use of the total resources and facilities of the Employment Service, as contemplated in part 11 of this report, appears to be the best practicable means whereby recruiting travel can be diminished. A continuous and positive program by the Employment Service of recruitment locally across the Nation would inevitably reduce recruiting travel for the skilled trades, clerical and unskilled occupations, etc.

Recommendations

(1) Unnecessary "clearances" of proposed recruiting trips which serve only to delay and obstruct agency planning should be eliminated. We have been unable to find any constructive purpose served by the superimposition of Civil Service Commission clearances.

(2) A more effective clearance channel should be established between the agencies and the Employment Service to assure that the recruiting agency is supplied with current information on labor market conditions to aid in planning the itinerary. The Bureau of Employment Security, in cooperation with the Civil Service Commission, should establish operating procedures to implement these recommendations.

26 FEDERAL RECRUITMENT AND EMPLOYMENT PRACTICES

PAYMENT OF APPLICANT AND APPOINTEE TRAVEL EXPENSES

The subcommittee has found that a common deterrent in recruiting which in many instances has proven costly to the Government is the lack of authority of agencies to pay an applicant's travel expenses to be interviewed for Government employment. This is due particularly in scientific, professional, and key administrative positions where the Government's competitive position with industry is adverse. Numerous instances have been reported to us of qualified and specialized people accepting jobs, frequently better paying, in private industry rather than pay Government interview travel expenses out of their own pockets. Agencies get around this by sending operating officials to interview the applicant at his hometown, often in teams of 2, 3, or more.

This is doubly expensive to the Government, since the actual cost is greater than would have been necessary to bring the applicant to the installation, and it takes operating personnel away from productive work.

We have found that the practice of paying an applicant's travel expenses is common in industry. We believe that the Government can ill-afford, especially in scarce scientific, professional, and key administrative categories, to work at this disadvantage when, as an alternative, it is costlier.

What has been said above applies also to authority to pay for the movement of a new employee's family and household goods to his first duty station, which is frequently a deciding consideration in an applicant's decision to accept the employment offered.

Recommendations

(1) The Civil Service Commission is requested to draft standards, and recommendations for any necessary legislative action, for Senate review, whereby agencies could authorize and pay for the invitation travel expenses of applicants in certain circumstances. To prevent abuse, such standards could well include a provision for certification by the travel issuing authority that the travel is (a) less costly than an alternative method, or (b) otherwise in the best interests of the Government. Prior to issuance of such travel authority, the agency board could certify that on the basis of a review of the applicant's application and other data, he appears to be among the best qualified applicants available for the position vacancy.

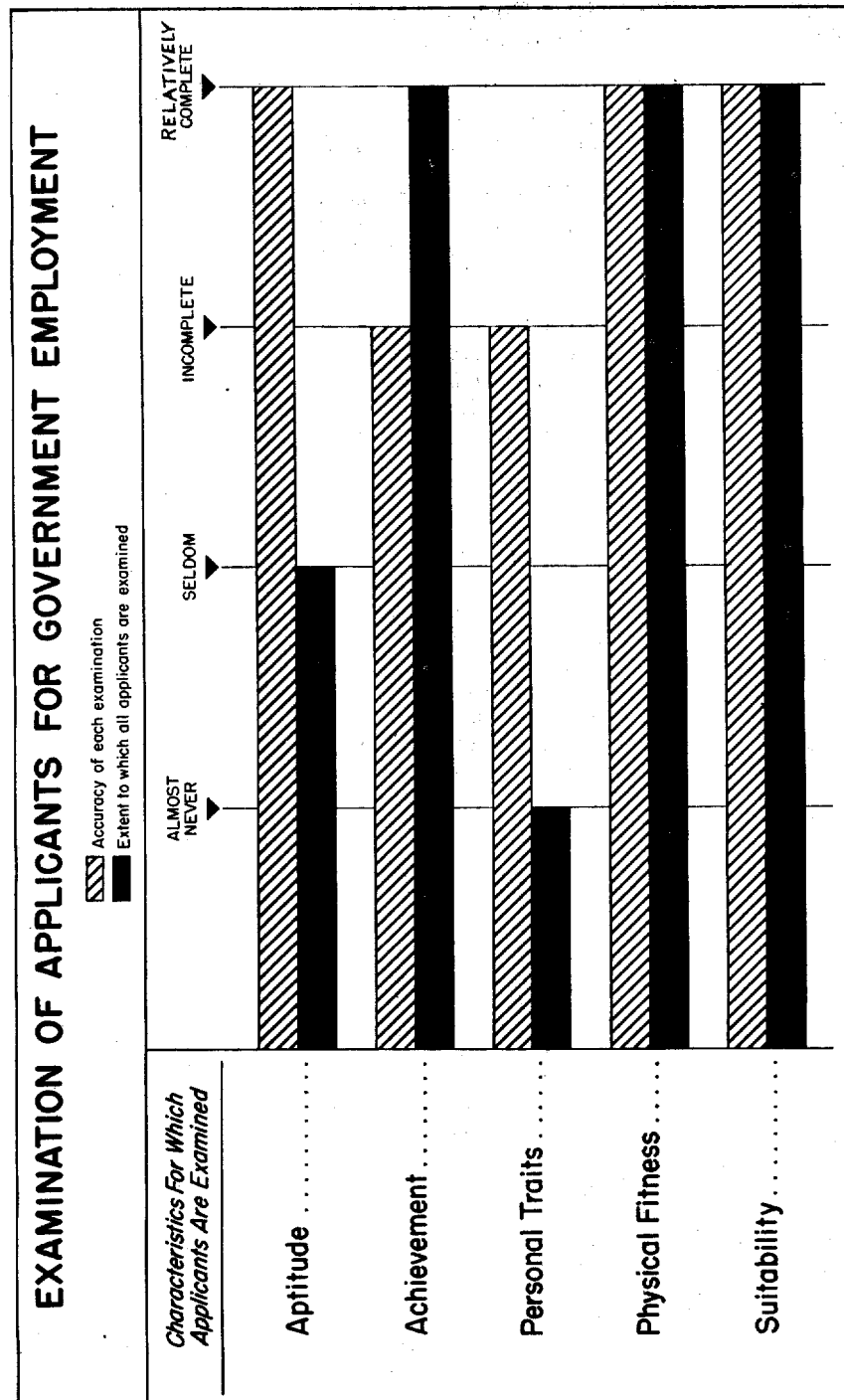
(2) Standards of a similar nature based upon the best interests of the Government should be drafted by the Commission for the movement of a new employee, his dependents, and household goods, to the first duty station.

PART 4—THE EXAMINATION OF APPLICANTS

Applicants for positions in the competitive service are examined for some or all of the following characteristics:

(1) *Aptitude*.—Does the applicant have the ability to learn the duties of the job?

(2) *Achievement*.—To what extent does the applicant possess the skills, experience and/or education required for successful job performance?



(3) *Personality traits*.—Does the applicant possess those personal characteristics which have a direct bearing on his success or failure on the job?

(4) *Physical fitness*.—Is the applicant equipped physically to carry out the duties of the position?

(5) *Suitability*.—Is the applicant a law abiding, honest and responsible citizen?

For any Federal position either aptitude or achievement must be measured; in addition, suitability and physical fitness must also be determined. However, in only a very few instances does the Civil Service Commission authorize the standard panel type interview to determine whether an applicant possesses personality traits which would result in failure on the job even though he possessed all other qualifications. The use of the standard interview is restricted to those "positions in which the ability to deal effectively with other people is essential—so essential, in fact, that lack of these qualities proposed to be tested should completely disqualify an applicant."

EXAMINING DEVICES AND EXTENT OF THEIR USE

Civil service examinations are frequently referred to as being of the assembled or unassembled type. This means, simply, that the candidates are rated according to scores achieved on a written or performance test (assembled) or they are given ratings based on a review of experience and training as set forth in the application form (unassembled). The terms assembled and unassembled refer to the requirement of assembling the candidates in person for a written or performance test as opposed to a review of the application which does not require the candidate's presence.

(1) *Written test*.—The written test which is generally used to measure achievement or aptitude has several distinct advantages. When there are a great number of applicants available for examination, the written test can be administered and mechanically scored in a relatively short period of time. The scores obtained on the written test may then be used to rank the eligibles. Written tests, however, are extremely expensive to construct. Test construction and validation require the services of highly qualified professional personnel. The economic advantages of a written test bear a direct relationship to the number of candidates tested. When that number is small the expense involved in test construction can seldom be justified.

(2) *Performance test*.—Another way that competitors for positions in the Federal service may be tested for their ability to perform a given job is through the performance test. This is the process of having the applicant do the actual work. An example of the performance type examination would be the testing of a welder by having him use a torch and do some welding. This is an extremely effective method of testing a person's skill in a given occupation. For such positions as typist or stenographer a performance test is an excellent examining tool. The number of occupations which lend themselves to this type of testing is, however, rather limited. Unfortunately, it is seldom possible to reproduce the job situation for test purposes.

(3) *Rating of training and experience*.—In addition to written tests and performance tests there is a third method of examining applicants for Federal employment. This method commonly referred to as the

"unassembled" examination consists of assigning each applicant a rating based on a review of his training and experience as presented on his application, CSC Form 57. Since the law requires that eligible candidates be ranked in order, the review must determine not only the candidate's ability or inability to perform on the job but his relative ability with respect to all other eligibles. A certain minimum of experience and/or education is required for eligibility. Scoring above the passing mark of 70 given for this minimum is accomplished by supplying raters with rating schedules, or scales, which indicate kinds and quality of experience and the credit to be assigned for a given quantity and quality of experience or training. The rating scales are generally drawn up with the aid of operating officials and employees engaged in the occupations for which the scales are to be used.

Hence, the rater reviews the candidate's application form and matches the employment and scholastic record against the rating form and arrives at a score. To this score is added any preference points to which the candidate may be entitled. At present, this method accounts for the great bulk of Federal hires. In 1951, 80 percent of the 13,462 examinations announced carried no requirement for a written examination. Since this figure includes only those examinations which were formally announced (47 percent of Federal hiring in 1951 was without formal examination announcement) it does not take into account those persons who were hired under direct hiring authority.

There are several practical procedural advantages to the technique of ranking applicants based on a review of experience and training. This method does not require the candidates to appear in person for the examination. It avoids the expense involved in constructing and administering a written test when the number of applicants would make this economically impractical. In addition, when an occupation is in short supply workers may not be willing to appear and take a written examination.

This type of examination, however, does not have the objectivity which is inherent in the written test. The Civil Service Commission recognizes this. In a report to this subcommittee, the Commission states:

Unassembled ratings, as they depend on subjective judgments of the statements made in applications, do not usually obtain as high a degree of reliability; raters may differ in their evaluation of individuals. Although there is substantial agreement between trained raters, experience with the unassembled rating method shows that there is need to develop further techniques for appraising the quality of applicant's experience. The greatest reliability is attained when the rating of quantity rather than quality of experience is stressed.

While our study has not revealed any cases of deliberate falsification with respect to experience and training, we have been informed by persons engaged in personnel work that the ability to describe one's experience and training on CSC Form 57 in a manner which will impress the rater is frequently a critical factor in securing a Government job. This ability is, of course, not always related to a person's capacity to perform on the job. A man may be an excellent tradesman without being able to relate his experience and training in a manner that would gain him an outstanding rating on an unassembled examination.

Recognizing that the law requires that candidates be ranked in order, the subcommittee, nonetheless, is convinced that the unassembled rating method is not a technique which can be sufficiently refined to assign a relative ranking to each of the many candidates examined. As presently used, this device does not serve true merit principles.

(4) *Interviews.*—The personal interview as an examining device is utilized to a very limited extent in Government hiring. The Civil Service Commission's attitude with respect to the interview is expressed in its regulations governing the use of its standard panel type, interview as quoted on page 60. Unless it can be established that personal traits constitute "make or break" job requirements, the Commission will not authorize the interview as an examining technique. The subcommittee recognizes the dangers inherent in the indiscriminate use of the interview. However, personnel and operating officials in Government service have urged a wider use of this examining tool.

Personality traits and related factors are extremely important in a great number of positions in the Federal service. While all these positions may not meet the Civil Service Commission's "make or break" test, the personal traits of the incumbent with relation to the job situation will frequently spell the difference between a first-rate performer, and an employee who is merely acceptable and one whose subsequent job performance proves he should not have been hired in the first place.

(5) *Qualification inquiries.*—Qualification inquiries are used to supply examiners with information which may not be available from a written examination or an application form. Qualification inquiries take two forms, the qualifications investigation and the qualifications questionnaire. The first is a personal investigation by a trained investigator aimed at checking the quality of an applicant's experience and training. This is, of course, an extremely costly method which is utilized only for the most important type of position. The qualifications questionnaire, or voucher, is a form requesting additional information. It is mailed to former employers and associates in an attempt to elicit job performance data which will aid the examiner in rating the applicant.

The examining methods described above are frequently used in combination to test for a given examination. A good example of combining several techniques in one examination is the junior management assistant examination. Applicants for this position must: (1) possess the required education and/or experience; (2) pass a written test; (3) pass an interview; and (4) have favorable answers received from a circulation of qualifications questionnaires. This type of examination is the exception rather than the rule. The object of this detailed search is the "bright young man" who can be trained for a top management job in the Federal service.

The shortcomings of our present examining system are illustrated by the fact that in fiscal year 1951 80 percent of the formal examinations announced were without benefit of a written test, performance test, or a test of personality traits essential to job success. Three of the five examining devices were not used.

THE USE OF QUALIFICATION STANDARDS AS PART OF THE EXAMINING
PROCESS

A qualification standard might be defined as a statement of the qualifications required for entrance into the job. Before an examination of any kind can be devised it is necessary to determine the qualifications which candidates must possess to take on the job. Qualification standards, generally stated in terms of kinds and amounts of training and experience, physical requirements and age limits, are set by the Civil Service Commission in consultation with agency officials, agency personnel officers and operating personnel. According to the Civil Service Commission, every attempt is made to have persons who are familiar with the job in question participate in formulating the qualification standards.

Qualification standards are published in three ways:

(1) Probational examination specifications, consisting of a detailed statement of the standards which are used as a basis for constructing examinations and issuing examination announcements.

(2) Examination announcements, containing a statement of qualification standards suitable for public consumption.

(3) Civil service handbook X-118. This is a handbook published by the Civil Service Commission which contains abbreviated qualification standards for 800 classes of positions. Agency appointing offices use the standards in X-118 when hiring under direct hiring authority and effecting noncompetitive actions such as promotion, transfer and reassignment.

Since practically all Government hiring is based on qualification standards the importance of formulating standards which have the maximum correlation with job success is of the utmost importance.

Qualification standards—the foundation of the examining program—must bear a direct relationship to job success or the balance of our examining program, no matter how carefully it is worked out, is doomed to failure.

As mentioned above, the Civil Service Commission in cooperation with agency officials promulgates standards. These standards are, however, seldom checked against performance on the job to determine their basic validity. While some type of validation study is done when any new written examination is issued, this is not the rule with qualification standards. This fact assumes significance when we recognize that today 80 to 90 percent of hiring is based on a rating of training and experience as stated in the candidate's application without written or performance test. The basis of this rating is found in the qualification standards for the job. If a candidate meets the standard he is given a grade of 70; the balance of his grade is determined by an evaluation of any additional experience he may possess. This evaluation can be meaningful only if the qualification standards which underlie the evaluation are sound.

Federal personnel officials in Washington and the field have expressed serious concern over the invalidity of the standards themselves, and the present means for preparing them.

While the Civil Service Commission in conjunction with the various agencies in the executive branch of the Government has devoted much time and energy to developing qualification standards it has failed to find an adequate substitute

for length and type of experience or written tests as a measure of qualifications. One real measure of qualifications is actual performance on the job. This obviously would not be practical as a recruiting or testing device. No effective method has been devised to determine the equivalency of experience to college education. Because these methods of evaluating qualifications deal with more or less tangible items, the intangible requirements which may be equally important are overlooked. Because of this the applicants attracted to the Federal service are frequently not the best qualified available. It has been our experience that frequently employees with demonstrated ability may not be utilized to a maximum because the standard would not permit a change without a serious monetary loss to the employee. Many employees in the clerical field are precluded from entering the so-called technical or professional positions because of the standards established, even though they demonstrated marked ability and potential, since the type of experience they have had is not considered qualifying. It would appear that if the qualification standards are the best that can be devised for a guide to outside recruiting there should at least be some flexibility whereby the agency can take advantage of clearly established potential capacity and ability.

The qualification standards presently in effect have chiefly been developed without adequate recognition of the needs and changes in the various agencies and geographic localities in which Federal activities are situated. Further there has been no direct effort made to fully validate the validity of the combination of experience and training or education established as the requirements for various occupational categories. As a direct result, the qualification standards set forth in Civil Service Handbook X-118 are not responsive to our needs unless authority to lower, raise or otherwise amend is available.

One of the largest single employers in the Federal Government had this to say on qualification standards:

This is one of the more serious problems in the entire present structure. Existing standards, as set down in Handbook X-118, have a deceiving appearance of exactness and specificity. The weight of evidence indicates that they are not sufficiently relevant to true ability to perform actual jobs:

1. Evidences of inaccuracy

(a) Length of time and experience requirements are disturbingly uniform for all grade levels and occupations, as though it took a carpenter as long to learn his trade as a plumber, or a textile man as long as a nuclear physicist.

(b) Lowering these standards, as is done when shortages occur or when waivers are approved, does not result in poorer employees. Our experience gives the edge to those employees hired on such waivers as far as performance goes. Different factors, however, entered into these selections. We do not claim that anyone with lesser qualifications would be better—simply that the factors now used do not measure ability and that other factors do.

(c) Quality of experience and individual differences in applicants appear to weigh more heavily than length of experience. A carpenter who has worked for 2 years for a good contractor and who has been well trained in all phases of his work is a better selection for us than one who has worked for ten years without such development. A man who can think creatively on research problems is a better bet for us on research work than one who has spent years applying formulae developed by others to standard situations.

(d) Existing standards tend to limit creditable experience to the same occupation as the job being filled. Actually, skill and ability are much more fluid than this. Attached as Tab F is a description of the experience of Douglas Aircraft in finding tool design ability in hitherto untapped occupations while finding also that lack of form and space relationship preception ruled out many people with the experience the company had formerly specified in their selection standards.

(e) Employees who have been detailed to fill in on jobs for which they would not qualify under present standards have turned in outstanding performances. For example: a wage board employee at White Sands has devised controls to keep buildings at the exactly even temperatures needed and can do a WB-17 level job of maintaining them. We cannot get him qualified above WB-7. His is by no means an unusual case.

(f) Applicants who have solved on other jobs the same type and level of problems as ours cannot be employed. A full example of one such case is shown

below.¹² He was disqualified because the Commission could approve only the experience he gained after he got his belated degree and that experience only as so many years of time and not as so many research problems just like ours successfully solved. Additional examples of disqualification of able men and excellent performance of people hired as exceptions or detailed to fill in on higher-level jobs can be supplied.

2. Apparent causes of inaccuracy

A part of the inaccuracy of existing standards appears to stem from the way in which they have been developed:

(a) Those preparing them are remote from actual jobs and actual job content. Accordingly, the standards seem to be applied more to craft and professional fields than to our positions. Yet it is our positions which must be filled.

(b) As mentioned earlier, these standards have been applied to broad classes, some as broad as a whole occupational field. They do not readily permit of adjustment to fit a position which deals with a specialized aspect of a field or with several different fields. A man who has the abilities needed must sometimes compete with others who, while they have "qualifications" do not have those specifically required.

(c) Standardization appears to have been interpreted as uniformity and the Commission seems to have gone to some lengths to assure uniformity. Uniform standards are useful only to the extent actual job content is uniform. The job that differs gets its true requirements twisted all out of shape by such uniform standards. If true merit means hiring the best man for the job to be done, invalid standards would appear to damage the merit principle.

(d) Present standards are based on opinion. It is claimed that this is the opinion of experts. The procedure assumes that a technical expert can discern just which of several aspects of an employee's background and native ability gave him a recognized level of performance. Our experience shows that the following situations occur frequently:

- (1) The standards closely resemble the experts' own background.
- (2) The standards eliminate those who do not qualify for a craft or professional organization.
- (3) Employees whom the expert considers outstanding do not, on examination, prove to have the qualifications specified.
- (4) The expert, in his own hiring, forgets his standards when he finds a man who can answer his questions well. Sometimes he forgets them when he goes seeking a man.

In short, the expert can state the problems an employee must face on a job if he knows that specific job well. He has much more difficulty in generalizing with any degree of validity on what background a man must have. When he tries to generalize about many jobs that he does not know closely, he tends to revert to the traditions of his trade or profession.

¹² This is a case history of an applicant for a position as electronics engineer, GS-11, at _____, whom we were unable to employ because of existing standards. Electronic engineering is a shortage skill with us, with many unfilled vacancies and a situation in which we are losing ground in trying to keep our jobs filled. This case is not an unusual example. It is relatively typical of some 500 cases over the past year and of thousands of cases over the past 5 years.

The applicant had completed 2 years of electrical engineering training at the University of Michigan in 1940. He was called to military service. In the service, he attended radar school at MIT and the Canadian Army radar school at Kingston, Ontario. He did design work on antennas at MIT and was a radar evaluation officer at Eglin Field, Fla., on remote control aircraft. Leaving the service in 1945, the applicant was engineer in charge of construction of a radio broadcasting station in Michigan. In 1949 he took his bachelor's degree in electrical engineering.

Called back into the service in 1950, the applicant worked under our observation at one of our bases on ultra-high-frequency work in electronic fuse development. Before his release from the service, we offered him the GS-11 post at another of our installations.

Our ultra-high-frequency expert at the installation personally interviewed the applicant and discussed a number of problems with him to test his experience and ability in the electronics field and the methods he had used to solve electronic problems similar to ours. Our expert was well satisfied that the applicant could perform the work of our electronic engineer at the GS-12 level, above the level for which application was made, based on this examination and on the work done on his last job.

The applicant's papers were sent to Denver for rating by the Civil Service Commission. Because the applicant had only 1½ years of experience since obtaining his degree, he was rated as eligible only for GS-9. It did not matter that his war experience was in line with our needs or that the 1½ years was experience on problems of the same nature as those of the job to be filled. Two appeals were made, one in person to Denver but the Commission decision stood.

The applicant then applied to the Western Electric Co., which had a contract for research work at one of our installations along lines requiring the same abilities as our jobs. He was immediately appointed at \$7,500 per year plus a \$60 a week cost-of-living allowance, a salary much above our GS-11 offer. He has had one raise since this appointment. When contacted, the applicant's present supervisor informed us that Mr. _____ is "one of the best men they have had in a long time."

In short, a time limit which is uniform for any and all professions was held to be a more valid index of this man's ability than demonstrated ability in our own service on similar work and demonstrated ability to solve our problems when presented in an examination, borne out later by demonstrated performance on like work for an industrial concern.

(e) Present standards, as far as we know, have never been validated by the Civil Service Commission against actual job success.

3. *A suggested method for improving accuracy*

It is suggested that the problem of setting standards may be overcome by changing the factors employed. In lieu of the present time and occupation factors, the standards might well be based on the job situations which will face the employee on the actual job to be done. The applicant must be able to demonstrate that he has either solved similar problems or dealt successfully with similar situations in his past experience or be able to pass an examination which confronts him with them.

This "critical incident" or "critical situation" method is the one which, in our experience, the experts tend to use when they make their own actual selections. They pose for the applicant problems that are typical of those he will face. A standardized use of this technique, used by the Wisconsin Office of OPA during World War II, resulted in a force which produced 3 to 1 over regional averages in terms of cases prepared well enough to win court victories and was consistently first in the agency's national statistics on production.

A study of the possibilities of the critical situation technique of standard setting and examining is suggested.

4. *Placing responsibility for setting standards*

Since standards must relate closely to actual job content if they are to measure true merit, the responsibility for setting them should be placed as close to the actual jobs to be filled as possible. This means that responsibility should rest with the agencies, and that it should be delegated within agencies to the lowest level that trained competence and sound control of abuse will permit. It is felt that this delegation can be made to the station level if adequate criteria and guidance are developed, adequate training is given to local people, and frequent reviews of local actions are made on a post audit basis.

There appear to be three principal methods which may be used in setting qualification standards.

(1) Statements of required experience and education. This is the method utilized in the present system of setting qualification standards.

(2) Statements of required knowledges, skills, abilities and personal traits. To some extent, these factors enter into written and performance tests as explained earlier in this report.

(3) Statements of job situations which must be met or must previously have been met successfully. This method, sometimes referred to as the "critical incident" technique, is not utilized at all by the Civil Service Commission, nor is its use authorized. A couple of agencies have, however, undertaken pilot or developmental studies of this method of setting qualification standards.

As a part of the Civil Service Commission's "quality examining program" (described in a succeeding section of this report) which was proposed in July 1950, the Commission contemplated exhaustive research into all known techniques for setting qualification standards. Unfortunately, this program was abandoned at the outset of the Korean emergency.¹³

Our analysis of the present system of qualification standards in

¹³ Note agency comments on need for such study:

"If the Civil Service Commission would concentrate on doing a first-rate job for the agencies many of the complaints voiced on qualification standards would disappear. The Civil Service Commission should concentrate on issuing 'standards for standards' which will meet the legislative requirement of uniformity yet, contain enough built-in flexibility to give the agencies some freedom of operation in the field of qualification standards. In this manner, the Civil Service Commission would free itself from the burdensome job of constructing a rigid standard for each job or job category. Free of this time-consuming task the Commission staff would have an opportunity to re-examine the entire area of qualification standards with a view toward developing a system suited to the needs of the service.

"We recommend, therefore, that the Civil Service Commission concentrate its activities to preparing and issuing guidelines to be used by the various agencies in establishing qualification standards that will be responsive to their needs and properly geared to meet situations peculiar to their respective missions and localities. This procedure is, in our opinion, consistent with Civil Service Commission policies favoring decentralization of operating activities to local boards and Civil Service Commission regional offices. Such action would enable the Civil Service Commission to spend more time in providing staff assistance and guidance by freeing it of operating details which can be performed more realistically on a decentralized basis."

light of the goal which the standards are intended to achieve—the accurate measurement of job applicants—leads to the following conclusions:

(1) The present method of setting qualification standards is not accurate for all Government jobs in all situations. To the extent of this inaccuracy in each situation, merit principles are not served and the best qualified available people are not being placed in Government jobs.

(2) A part of the inaccuracy of the present system is due to the policy of the Commission in attempting to construct or centrally approve, individual standards which, in the process of central development or approval, lose work level meaning. Basically, realistic qualification standards can be fixed only at the work level. Any change or modification thereafter is at the expense of accuracy. Moreover, this centralized control is time-consuming and costly in terms of delayed production.

Recommendations

1. The Civil Service Commission should, at the earliest practicable date, undertake a research program designed (a) to test the validity of methods currently used in setting qualification standards; (b) to evaluate and explore the use of other existing techniques and methods not currently employed by the Government; and (c) to explore the development of new techniques and methods for measuring job qualifications.

To the extent found feasible and practical, the results of this program of research should be applied to replace or supplement present methods for setting qualification standards.

We do not agree that this program should be put off until the termination of the present emergency. In fact, we consider the expansion caused by the current emergency to be a motivating factor behind this recommendation.

2. The Civil Service Commission should discontinue its practice of constructing and/or approving qualification standards for individual jobs or job categories and concentrate on the establishment of guidelines within which agencies may develop their own qualification standards. The Commission should delegate authority to the local boards of examiners to approve qualification standards developed at the local level and to amend existing standards. The subcommittee contemplates that the Civil Service Commission will have ample opportunity to check for any abuse of this authority in its periodic audit and inspection of agency personnel programs.

THE USE OF THE INTERVIEW AS A PART OF THE EXAMINING PROCESS

The Civil Service Commission as stated earlier is reluctant to use the interview as a part of the examining process. In only a few instances may it be used and then only on an "in or out" basis. The applicant is rated eligible or ineligible and no attempt is made to evaluate and rate him based on the interview. The only time the interview may be used as an examining tool is when the situation meets the criteria set forth in civil service regulations:

The standard interview is used only for positions in which the ability to deal effectively with other persons is essential—so essential, in fact, that lack of these qualities proposed to be tested should completely disqualify an applicant.

The Commission elaborates in Handbook X-111:

The interview might be desirable in an examining program for the position of contact representative or administrative officer, while it would contribute very little in the selection of a research technician with no supervisory duties.

Dr. John C. Flanagan,¹⁴ however, reporting on his work with the critical incident technique in a paper presented at the Civil Service Assembly in New York stated that a job study for "critical incidents" (incidents critical in terms of success or failure in important aspects of the job) revealed that 24 to 75 percent of the incidents represented motivational and personality factors as differentiated from technical competence.

As mentioned earlier, the junior management assistant examination includes an interview. Actually there are two interviews, a group oral type where the candidates are observed in group discussion and an individual interview. Contact representatives for the Veterans' Administration are also interviewed in the examining process. In any instance where the Civil Service Commission standard interview is used there must be a minimum of two raters.

It is the opinion of the subcommittee that the interview has a place in the formal examining process for a great number of positions in the Federal Government. Present examining procedures examine only a fraction of the whole man. Personality traits and attitudes are extremely important in most jobs. Our examining techniques—the written examination or rating of training and experience—give no weight to job interest, ambition, manner, voice, appearance, and other characteristics and motivational factors which are every bit as important to job success as length of experience and training. In many jobs the above factors mean the difference between success and failure, in most jobs they are the difference between a good employee and a "seat warmer." The Federal Government can ill afford to hire "seat warmers" when there are good applicants available.

The value of the interview is not limited to the evaluation of personality traits and attitudes. It is an excellent instrument for further evaluating the quality of experience and training. Applicants misrepresent their abilities intentionally and, more frequently, they misunderstand the job and misrepresent unintentionally. Furthermore, in applying for Federal employment applicants frequently state their experience in general terms in the hope of gaining consideration for the maximum number of vacant positions. The interview can serve as a means of probing experience claims and evaluating experience in terms of job situations. The applicant may be interrogated on specific job problems and his solutions or reactions observed. Personnel officials in private industry have reported that they consider the personal interview essential in the examining process.¹⁵

The interview is, in fact, used in the selection process to complete

¹⁴ American Institute of Research, Pittsburgh, Pa.

¹⁵ An extreme situation is reported by a large company with an outstanding recruiting program which brings to level recruits to the various divisions of the company. "At that point (after interviews are completed) the test results are brought into the picture and carefully reviewed for each of the candidates interviewed. Occasionally clues will appear in the tests which will initiate a discussion and change opinions previously formulated. However, tests are used simply as clues and, if they cannot be substantiated, they are not relied upon."

the examination of the applicant.¹⁶ Agencies have pointed out that because Commission regulations do not include an interview as a part of the formal examining process, the selection process is utilized for this purpose and is thus distorted:

(1) By being used as an examining device to determine the real qualifications of an applicant and his actual eligibility, the selection process is being used for a purpose for which it was not intended;

(2) Since the selection process is used to determine actual eligibility, and therefore, to pass over unqualified persons, the appointing officer's right to choose from among 3 fully qualified candidates is thereby restricted to 2, or even 1.

The end result is that the entire examining process is distorted by rating and certifying candidates as "qualified" when they may, in fact, not be qualified in terms of actual on-the-job requirements. Thus, the quality of certificates is impaired and results in widespread dissatisfaction with the rule-of-three order of selection.

The basic problem, the subcommittee is convinced, is to improve the quality of eligibles certified for selection.

Quality of applicants is now being examined for in the selection interview. This is the point of least effectiveness, where it results in serious damage to the quality of Federal hiring.

The objection most frequently heard regarding the interview is that it is a subjective technique which is open to abuse. The interviewer may, it is said, use it as a method of discriminating on the basis of race, color, religion, or national origin. Every one of these objections applies equally well to the selection procedures in use today. Within the "rule of three" an unprincipled appointing officer has opportunity to discriminate unfairly.

We do not envision an interview process which does not include safeguards against such evils. If the interviewer is required to work within a framework designed to measure only those factors related to job success and further, if he is required to record in writing for future Civil Service Commission inspections his reasons for assigning a candidate a grade, the interview can be made a part of the examining process without fear of discriminatory practices. Such standards and objective techniques can be formulated.

Another objection to general use of the interview is founded in the present antiquated system of making up registers of applicants, far in excess of current needs, who are minimally qualified. The prospect of interviewing hundreds of thousands of applicants today for jobs a year, 2 years or 5 years hence, is difficult to comprehend. Apart from the cost, it would be administratively intolerable.

The subcommittee believes the basic honesty and integrity of our operating officials must be credited if our principles of merit are to survive. These individuals have a job to do and they are anxious to

¹⁶ "It has been the practice of this office, and any other office that I have been connected with, to interview the eligibles on the certificate before making final selection to fill a position. To do otherwise would mean that undesirables and misfits would be employed in the Federal Government."

"All eligibles appearing on registers are interviewed before final selection. Applicants living at a distance are interviewed through our local offices on the basis of data furnished by the personnel office and operating official."

"Applicants are always interviewed for GS-6 or higher grades and for all grades where possible. It is an administrative policy of this Bureau not to hire engineers, physicists, accountants, etc., for positions GS-9 and above unless they are available for interview."

get the best available employees to help them to do it well. Present examining procedures do not give them an opportunity to fully evaluate all available candidates. In most instances they are asked to make a selection among three candidates who have been assigned a numerical rating as a result of an examination in which there was no attempt to measure the factors discussed in the preceding paragraphs. They are asked to buy "a pig in a poke." The dollar and lost production cost of keeping a borderline employee on the job or getting rid of a substandard employee can in many cases be traced directly to these inadequate examination procedures.¹⁷ The American taxpayer deserves better treatment. He should not be asked to assume the unnecessary risk of giving a fair trial to an employee who was never adequately evaluated prior to employment.

The subcommittee in this report is calling for a new system—an ordered system serving principles of merit and efficiency, geared to the realities and responsive to the needs of modern government. Time-encrusted practices and procedures which have outlived their usefulness cannot be tolerated simply because they are traditional.

We do not purport to offer detailed solutions to the monumental task of reorientation of our Federal employment structure. We do hope to spotlight these problems, to suggest a new framework within which solutions may be found, and to urge support for the Civil Service Commission in effecting reforms.

Recommendations

With respect to the total examination, rating, and certifying of applicants, the subcommittee offers a new procedure which appears to meet the test of service to merit principles, while conforming to the new recruitment framework recommended in part 11 of this report. This procedure outline, attached as appendix A, is offered by the subcommittee as a possible solution. The outline does not purport to be a finished product but rather a suggested pattern from which a satisfactory detailed plan may be devised.

RELATING EXAMINATIONS TO LABOR MARKET CONDITIONS

The inflexibility of the present system is vividly illustrated in the Civil Service Commission policy governing the cutting point in examinations. This cutting point represents the established degree of accuracy which is translated into a passing score of 70. Under present emergency conditions the Commission has delegated to the boards authority to lower the cutting score when the supply of workers is limited. The boards may not under any circumstances, however, raise the cutting score above the point approved by the Civil Service Commission. Hence, even in job categories where surpluses exist the cutting score may not be raised. This results in registers which con-

¹⁷ These comments are by personnel directors of large agencies:
"Factors involving personal characteristics are not measured by a numerical rating on most examinations but are important in performance on the job."

"Ratings obtained in CS examination are based on results of written aptitude tests only. Often persons selected from registers are not desirable employees because of undesirable personality traits. Without the advantages of a personal interview, the agency is unable to discover such traits before the person is actually employed and then the Government is subjected to the expense of giving him a fair trial in the job and then having to remove him."

"CSC examination procedures have, heretofore, in most cases placed no emphasis on personality traits and personal appearance. Examinations designed to measure administrative judgment, general knowledge, or merely to evaluate experience often leave much to be desired in their incomplete picture of the applicant's probable performance on the job. It is recommended that the CSC give consideration to include the additional tests mentioned herein to the maximum extent its resources will permit."

tain thousands of names, the bulk of which stand little chance of being appointed. The clerical work involved in establishing these registers is simply a waste of time and energy.

The solution to this problem does not rest with the limited filing period alone. This device—accepting applications for a limited time only—results in qualified applicants, including veterans, being excluded from competition and depresses the quality of those finally hired. The authority to move the cutting score, based upon estimates of probable applicant response and the number of actual vacancies, would insure that the boards would not be overloaded with candidates in a surplus market nor would they be without candidates as a result of a cutting score which is too high when candidates are in short supply. It would in short guarantee the best of the available market at all times.

Each board and the local Employment Service office, as the Civil Service Commission recognizes, is aware of the hiring problems peculiar to its own locality. It would seem, therefore, that the board rather than the Civil Service Commission, would be in the best position to accurately determine the cutting score which best satisfies its needs.

Recommendations

The Civil Service Commission should delegate to the various boards of examiners, subject to standards prescribed by the Commission, authority to raise or lower examination cutting scores, according to applicant need and local labor market conditions, when such action is deemed advisable by the board.

CIVIL SERVICE COMMISSION QUALITY EXAMINING PROGRAM

The Civil Service Commission has recognized the need for improving the quality and speed of its examining program. During the period following World War II and preceding the Korean emergency, the Commission took steps calculated to improve this process. A memorandum on the Civil Service Commission quality examining program, contains the following:

As you will recall, Chairman Mitchell in September 1949 recognized the need for improving the speed and quality of our examining operations. Additional funds beyond those necessary for regular operations were requested in the estimates for fiscal year 1951 to carry on a "quality examining program." Although the Bureau of the Budget approved only a portion of the additional funds originally requested for that purpose, a sum was allowed for planning, developmental and experimental work along those lines which would demonstrate our ability to put such a program into effect.

It was then decided advisable to initiate research within existing resources during the latter half of fiscal 1950 which would demonstrate our ability to carry on such a program during 1951 if Congress approved funds for the purpose. In December 1949, a special committee of regional directors and Central Office officials, appointed to consider the matter, recommended approval of a program covering 7 of the 13 items originally included in the 1951 budget.

Some of the items in which the Civil Service Commission intended to initiate research were: improvement of qualifications investigations methods, development of improved examination specifications, research on oral examinations, development and extension of the use of written tests and performance tests.

Our report stresses the need for improving the quality of eligibles for Federal employment. The subcommittee makes several recom-

mentations which we believe will aid in accomplishing this result. Each of these recommendations is, however, based on the assumption that the Civil Service Commission operating as a strong staff agency will engage in activities as contemplated in its quality examining program. Many of the recommendations in our report are aimed at relieving the Civil Service Commission of day-to-day operating responsibilities so that it will be free to engage in research and validation study designed to improve the quality of the Federal work force.

The new Federal employment plan which we propose in part 11 of this report is flexible enough to meet the Government's needs in emergency or normal times. It will, we believe, result in the hiring of the best qualified available with a minimum of delay. In addition, it will free the Civil Service Commission of the time-consuming operating responsibilities which now claim so much of its time and energies. Relieved of these burdens, the Civil Service Commission will then be able to undertake research programs similar to the quality examining program. This program, and others like it, offer great promise. The Civil Service Commission can, through this type of study, emerge in its true role as the leader in the development of sound, progressive personnel policies for the Government as a whole.

PART 5—THE RATING AND RANKING OF APPLICANTS

Historically, the Civil Service Commission has ranked applicants for Federal appointment on a scale of 100. The traditional passing grade has been established at 70. The Veterans' Preference Act, predicated upon the use of a scale of 100, requires that all applicants who meet the minimum qualifications and attain an augmented rating of 70 on the examination rank in relation to all other eligibles.

The ranking of applicants is complicated by the "apportionment" feature of the Civil Service Act which requires that registers for departmental employment, i. e., most Federal jobs in the District of Columbia, must be arranged in priority groupings by State.¹⁸ In addition, the Veterans' Preference Act of 1944 grants a 5-point preference to non-disabled veterans and 10 points to disabled veterans. For all positions except those in the professional and scientific services for which the salary is over \$3,000 a year, the names of all qualified 10-point veterans must be placed at the top of the register in accordance with their augmented rating.

An excerpt from a Civil Service Commission report will give some idea of the complications involved in administering these complex priority groupings:

A register subject to apportionment is divided into several priority groups as illustrated below:

Group I—10-point eligibles.

Group II—5 and 10-point eligibles. Eligibles from all States in arrears of quota eligibles already employed in apportioned positions.

Group III—Eligibles from the State least in excess of quota.

Group IV—Eligibles from the State second in excess of quota.

Group V—VI, etc.—Remaining States in order of excess.

Within any group, ties are broken by listing the eligibles in alphabetical order, except that veterans are listed ahead of nonveterans with the same score.

As the apportionment quotas change the order of names in groups II through V changes. The adjustment is made monthly.

¹⁸ " * * * appointments to the public service * * * in the departments at Washington shall be apportioned among the several States and Territories and the District of Columbia upon the basis of population as ascertained at the last preceding census."

In the same report, the Civil Service Commission points out that apportionment has little significance during the present emergency. Veterans—40 to 50 percent of departmental appointments—are not charged to State quotas. In addition, all indefinite appointments and positions in the professional and scientific fields paying over \$3,000 a year are exempt. During April 1952, less than 1 percent of all appointments made in the departmental service were charged to State apportionment quotas. However, in normal times, apportionment, is a strong complicating factor in the arrangement of names on Civil Service lists of eligibles for referral to Washington jobs. Briefly, apportionment results in the appointment of candidates while better qualified persons with higher grades are not given consideration.

In the opinion of the subcommittee, the Civil Service Act should be amended to eliminate apportionment as a factor in Government employment. Our proposals with respect to new methods for establishing registers, conducting examinations, and giving appointments are designed to provide appointing officials with the best available candidates for Federal employment. It is not administratively feasible under any kind of decentralized program, even the present Board expansion program of the Commission, to adhere to the complex certifying procedures made necessary by section 2 of the Civil Service Act.

Our study has convinced us that certain changes are also required in the Veterans Preference Act of 1944. While we agree completely with the principles of rewarding veterans for their sacrifices and of assuring work for disabled veterans, we doubt the wisdom of two provisions in the act. Allowing preference points to veterans who fail to attain a passing grade and granting a 10-point preference to veterans who do not have compensable disabilities results in subqualified veterans blocking registers, failing to obtain suitable employment themselves, and preventing other qualified veterans from being employed.

Agency personnel officials have informed this subcommittee that they have left jobs vacant rather than select a veteran who will not be able to perform on the job. In other instances they admit selecting veterans knowing they will have to disqualify them during the probational period. This creates a situation which is unfair to veterans generally. When a register is not used because an agency refused to take a subqualified veteran who is at the top of the register, all other candidates on the list, veterans, and nonveterans, are barred from consideration. On the other hand, when a subqualified veteran is selected merely to clear the register he is being done an injustice. He is, in effect, deliberately being placed in a job where he has little chance of succeeding. We believe the intent of Congress in enacting the Veterans Preference Act was to give our veterans preference in obtaining a Government job, a job in which the veteran is qualified to perform satisfactorily. It certainly was not the intent of Congress that any subqualified persons be placed in Government jobs.

The 10-point veteran is granted two advantages in competing for a position in the Federal Government. He is granted 10 points to be applied to his earned rating and for all positions except those in the professional and scientific services paying over \$3,000 a year, he is placed at the top of the register. A person disabled in the defense of his country deserves every advantage consistent with good Govern-

ment. We do not propose that persons with a disability recognized and compensated by the Veterans' Administration be deprived of these advantages. The subcommittee does feel, however, that those veterans who have noncompensable disabilities (less than 10 percent) should not be granted the preference allowed disabled veterans in the Veterans Preference Act of 1944.

The subcommittee's views on the need for amending the act in the above manner are shared by three major veterans' organizations, The Veterans of Foreign Wars, Disabled American Veterans, and American Veterans, have all enacted resolutions favoring those amendments.

Recommendations

(1) The subcommittee recommends that the Civil Service Act be amended to eliminate the provisions relating to apportionment.

(2) We recommend that section 3 and section 7 of the Veterans Preference Act of 1944 be amended to read as follows:

SEC. 3. In all examinations to determine the qualifications of applicants for entrance into the service ten points shall be added to the earned ratings of those persons included under §2 (1), (2) and (3), and five points shall be added to the earned ratings of those persons included under §2 (4) of this Act: *Provided*, That only those persons included under §2 (1), (2), (3) and §2 (4) of this Act who have attained a passing grade shall be entitled to the ten points provided in §2 (1), (2) and (3), and the five points provided in §2 (4): *Provided further*, That in examinations for the positions of guards, elevator operators, messengers, and custodian competition shall be restricted to persons entitled to preference under this Act as long as persons entitled to preference are available and during the present war and for a period of five years following the termination of the present war as proclaimed by the President or by a concurrent resolution of the Congress for such other positions as may from time to time be determined by the President.

SEC. 7. The names of preference eligibles shall be entered on the appropriate registers, or lists of eligibles in accordance with their respective augmented ratings, after receiving a passing grade, and the name of a preference eligible shall be entered ahead of all others having the same rating: *Provided*, That, except for positions in the professional and scientific services for which the entrance salary is over \$3,000 per annum, the names of all qualified preference eligibles who have a compensable service-connected disability of 10 per centum or more, entitled to ten points in addition to their earned ratings, shall be placed at the top of the appropriate civil service register or employment list, in accordance with their respective augmented ratings.

SHORTCOMINGS OF RATING PROCESS

The Civil Service Act requires that candidates be placed in rank order for selection purposes. One advantage of the "assembled" examination is the fact that candidates are given a score which can be used to rank them. This is not to say the written examinations of the Civil Service Commission are sufficiently refined to measure accurately the differences between candidates necessary for rank order rating. It is claimed that the written examination is, in any event, more accurate than the unassembled examination. However, the great bulk of examining is accomplished by "unassembled" rather than "assembled" examinations. Eighty percent of the formal examinations given in 1951 were of the unassembled type.

In other words, the candidates were given a numerical score based largely on a quantity review of their training and experience as set forth on their application form.

A rater is unable to accurately distinguish between a group of candidates and place them in accurate rank order by matching a rating schedule against the experience and training history in their applica-

tion forms. The human differences in raters; the applicant's ability to state his qualifications in the application; and the fact that the technique in no way measures personality traits, attitudes, or the ability to perform on a specific job, all illustrate the unsuitability of this device as a means of placing candidates in rank order for selection.

Since rating scales, and to a lesser extent written examinations, do not measure the "whole man" and his real ability to perform on a specific job, the rank order assigned to applicants on the basis of such examination has resulted in widespread dissatisfaction with the rule-of-three order of selection. The rule-of-three requires that selections for appointment be made from the top three names on the register.

The Tennessee Valley Authority and the Atomic Energy Commission, agencies which are not within the purview of the Civil Service Act, do not assign numerical ratings based on examination scores nor do they observe the rule-of-three. Instead, these agencies divide their eligibles into quality categories, i. e., the candidates are ranked: outstanding, well-qualified, and qualified, and veterans' preference is applied within these categories. The obvious advantage to the above system is the increased latitude in selection. Instead of being confined to a choice among three eligibles the selector may select from among all those in a given category, subject to the requirement of granting preference to veterans.

The Civil Service Act requires that all jobs in the competitive service "shall be filled by selection according to grade from among those graded highest as the results of * * * competitive examinations." Hence, the Civil Service Commission must rank candidates on the basis of their examination grades. During the last session of Congress in testimony given on S. 1135 (82d Cong., 2d sess.), the Commission testified that all Government jobs are not susceptible of precise numerical ratings and rank order determinations for applicants. The Civil Service Commission at that time endorsed legislation which would enable them to use the category rating method in examining and selecting for scientific and professional positions. This bill was not enacted into law.

Although the subcommittee recognizes the advantages of a category ranking system where the quality of applicants has not been accurately measured, there is no evidence in our study that abandonment of the present system of ranking eligibles on the scale of 100 and the adoption of category system would provide a panacea for admitted deficiencies of the present system. As pointed out earlier, the dissatisfaction with the rule-of-three is attributable, in large degree, to the shortcomings of the examination process. The desire for more latitude in the selection process results from the fact that not all persons certified as eligible for selection are, in fact, qualified.

In light of the anticipated improvement resulting from the adoption of proposals in this report, the subcommittee does not have compelling evidence which would warrant abandonment of the rule-of-three order of selection process at this time.

PART 6—THE SELECTION OF APPLICANTS

The subcommittee has found that dissatisfaction of appointing officers with the rule-of-three order of selection, stems from lack of quality in the eligibles certified in relation to actual job vacancies.

This is the logical outgrowth of inaccurate examining methods as explained earlier. As a prime objective, therefore, the subcommittee has sought ways to improve the quality of eligibles.

Since no examining methods, however, can be perfect in accuracy, there will always be needed a degree of flexibility within the selection process. That flexibility, we believe, can be attained within the present rule-of-three order of selection and will go far toward satisfying appointing officer dissatisfaction with the rule providing the quality of eligibles certified is raised as contemplated by our recommendations with respect to improving examining techniques.

The rule-of-three restricts appointing officers to a choice from among three eligibles in filling a vacancy. The Veterans' Preference Act¹⁹ further restricts the selection by requiring that the appointing officer submit his reasons in writing to the Civil Service Commission if he wishes to pass over a veteran and select a nonveteran.

This procedure is time-consuming and unnecessarily complicated. We have been informed by several agency officials that they are reluctant to go through the redtape involved in this procedure.²⁰

They either (1) take a veteran although they believe the nonveteran to be better qualified or (2) leave the position vacant until they can reach a candidate considered satisfactory. They are sometimes able to accomplish the latter by waiting until the veterans at the top of the register have been selected by another agency.

The net effect of this is that appointing officers, rather than having a rule-of-three choice frequently have only a rule-of-two or rule-of-one.

The Civil Service Commission, far removed from agency operating and selection problems, is frequently in a poor position to rule on the sufficiency of an appointing officer's reasons for passing over a veteran. It is the opinion of the subcommittee, that the boards of examiners should have the authority to rule on these reasons subject only to a post-audit by the Commission during its periodic inspection.

¹⁹ SEC. 8. When, in accordance with civil-service laws and rules, a nominating or appointing officer shall request certification of eligibles for appointment purposes, the Civil Service Commission shall certify from the top of the appropriate register of eligibles, a number of names sufficient to permit the nominating or appointing officer to consider at least three names in connection with each vacancy. The nominating or appointing officer shall make selection for each vacancy from not more than the highest three names available for appointment on such certification, unless objection shall be made, and sustained by the Commission, to one or more of the persons certified, for any proper and adequate reason, as may be prescribed in the rules promulgated by the Civil Service Commission: *Provided*, That an appointing officer who passes over a veteran eligible and selects a nonveteran shall file with the Civil Service Commission his reasons in writing for so doing, which shall become a part of the record of such veteran eligible, and shall be made available upon request to the veteran or his designated representative; the Civil Service Commission is directed to determine the sufficiency of such submitted reasons and, if found insufficient, shall require such appointing officer to submit more detailed information in support thereof; the findings of the Civil Service Commission as to the sufficiency of such reasons shall be transmitted to and considered by such appointing officer, and a copy thereof shall be sent to the veteran eligible or to his designated representative upon request therefor: *Provided further*, That if, upon certification, reasons deemed sufficient by the Civil Service Commission for passing over his name shall three times have been given by an appointing officer, certification of his name for appointment may thereafter be discontinued, prior notice of which shall be sent to the veteran eligible. Whenever in the Postal Service two or more substitutes are appointed on the same day, they shall be promoted to the regular force in the order in which their names appeared on the civil-service register from which they were originally appointed, whenever there are substitutes of the required sex who are eligible and will accept, unless such vacancies are filled by transfer or reinstatement.

²⁰ " * * * Under the rule-of-three, you have a selection of the highest three qualified persons available. Should the first person be a veteran and the second person be a nonveteran, but after interview and all factors considered, the agency feels the second person is the best qualified, the second person cannot be appointed until the agency submits in writing reasons for passing over the first person and these reasons are passed upon by the Commission. This requirement seems to be useless except to throw additional work on the appointing agency and thereby make it less desirable to pass over a veteran since, if the reasons are not sufficient for the Commission to approve the passing over the veteran, the agency can submit additional reasons or lacking additional reasons, can say that they have reviewed the situation and still feel the nonveteran is the better qualified. These are reviewed by the Commission and, while there is no additional information necessarily submitted, the agency can then go ahead and appoint the nonveteran. Since we have a rule-of-three, it is believed that the agency should be able to freely select the person of those three that it feels is the best qualified without having to resort to a lengthy correspondence with the Commission.

"The difficulty is not the rule-of-three but disapproving valid well-documented requests to pass over unsuitable eligibles. In short, it's not the rule-of-three but the narrow interpretations given it. Too often an agency is forced to hire the unsuitable applicant, and then shortly separate him as the only way out of this situation."

SELECTIVE CERTIFICATION

Another instance of centralized control which, in the opinion of the subcommittee, militates against efficient, smooth-functioning selection is the granting of authority for selective certification.

Selective certification is that process whereby in the absence of a register appropriate as a whole to fill a particular vacancy, certification may be made of any eligibles from the most nearly appropriate register, in the order of their ranking, who are found to be adequately qualified to fulfill the particular requirements of the vacant position.²¹

Agencies frequently have vacancies for which many of the candidates on the register are not qualified. In such instances the agency must request Civil Service Commission permission for selective certification, i. e., only those persons on the register possessing the specific training and experience required for the job in question are certified for selection. This requirement of going to the Civil Service Commission for permission to engage in selective certification results in the same delays and misunderstandings outlined above with respect to passing over a veteran.

Agency comments are set forth below:

Examination announcements are normally of necessity issued in a manner to accommodate the needs of a variety of different types of stations. A position vacancy often occurs which, while admittedly coming within the purview of the examination announcement, contains certain responsibilities peculiar only to local operations. In those instances selective certification has been requested. However, in some instances it has been difficult to convince the certifying authorities that the job content is peculiar to this station and it has been impossible to obtain selective certification.

The rule of three is adequate. However, selective certification service should be available without limitation if requested by the appointing officer.

It is apparent that the quality of selected eligibles for specific positions would be relatively assured if selective certification privileges were available without limitation.

We are sometimes forced to accept eligibles who do not fully meet the agency needs even when fully qualified candidates are available elsewhere from Civil Service Commission registers. Once a register has been established it is often very difficult to get selective certification.

Our experience with selective certification has been generally unsatisfactory because the Civil Service Commission is reluctant to authorize such certification except under the most extreme circumstances.

We anticipate the elimination of this problem as it relates to central registers, with the adoption of the employment plan outlined in part 11 of this report. When complete decentralization of recruiting and examining, as contemplated in the plan, is accomplished, the use of central registers as we now know them will be discontinued. We have found, however, that Civil Service Commission standards for granting selective certification as outlined in Handbook X-107 result in the same sort of rigidity at the board level. The emphasis seems to be on why selective certification should not be granted. This negative approach unduly restricts boards in their attempts to aid appointing officers in locating the right man for the job.

A major factor in the philosophy behind the Civil Service Commission's program of decentralization to the boards is the proximity of the boards to agency problems. The Civil Service Commission realizes, as mentioned earlier, that each board is keenly aware of

²¹ CSC Handbook X-107.

those job problems which are peculiar to its agency. It would seem, therefore, that they would be able to pass on the sufficiency of passing over a veteran and to determine the need for selective certification without undue procedural restrictions.

Recommendations

The Civil Service Commission should, subject to standards, delegate authority to boards of examiners to pass on the sufficiency of reasons for passing over a veteran as required by section 8 of the Veterans Preference Act of 1944.

The Civil Service Commission is also requested to draft new standards to govern the boards in the granting of permission for selective certification. These standards should emphasize to the maximum the real objective of the appointing process—the realistic matching of the job against the best available eligible.

PART 7—THE APPOINTMENT OF APPLICANTS

A career employee cannot be established through legislative or administrative device. Only the employee, the individual himself, can determine his goal. The most the Congress can do is establish the legislative climate to permit the maximum administrative flexibility in identifying self-determined career employees, and in developing, promoting, and utilizing them to the maximum degree of their capabilities.

There is no valid estimate anywhere in Government as to the real cost of the conversion program which began in 1946 at the end of World War II. This vast, mass-examining program of hundreds of thousands of wartime employees, with its innumerable reassignments, is generally agreed to have cost hundreds of millions of dollars.

Some idea may be obtained by referring to the subcommittee's interim report, issued March 19, 1952, wherein we called attention to the excessive reduction-in-force costs.²² In one case the amount was \$10,000 to lay off 32 employees. In another case, the cost was estimated to exceed \$150,000 to separate 25 employees. The cost in lost production efficiency and morale—intangible costs which go into the tax bill as surely as salary money—is difficult to imagine.

These costs stemmed directly from the hiring and appointment process used during the war, and the somewhat artificial goals set up after the war to enable us to revert to a pre war pattern. Indefinite types of appointment were given. They were for the most part, noncompetitive—equivalent to present-day direct hiring.

WHAT IS THE MATTER WITH INDEFINITE APPOINTMENTS?

In 1951, 53 percent of our hiring was competitive, that is through board or Commission examinations, while 47 percent were hired directly by the agencies. This means that nearly 600,000 of our new employees were required to stand competitive examination, while over 500,000 were not. The meaning of this is complicated, by the fact that agencies use the same recruiting methods under both systems. Thus, in many cases, particularly under an open-continuous examination announcement, it is sheer chance as to whether an individual is

²² The subcommittee felt this was so serious that a special study was conducted and a separate report is being issued with a plan for improvement of reduction-in-force procedures.

hired competitively or noncompetitively. The chance feature depends upon whether an agency has previously issued an examination announcement. Hence, competitive and noncompetitive appointments have, in large degree, lost their meaning.

The incongruous truth is, however, that with rare exception, all of the 1,084,000 people employed in 1951 were given indefinite appointments. This has resulted from the Whitten amendment which placed a governmentwide ceiling on the number of so-called permanent employees of the Government at the level attained in September 1950. The Civil Service Commission and the agencies have found it administratively unfeasible to decide which of the new employees will be given permanent appointments to replace the thousands of ceiling permanents who quit. Thus, everyone is given an indefinite appointment.

The subcommittee, taking cognizance of what happened the last time we used the indefinite appointment, and seeking to evaluate its present effect on hiring, has found that it is damaging our interests all along the line:

(1) It is hampering recruitment in all categories of personnel since industry appears to offer greater security and does not advertise its jobs as of a temporary nature, the way the Government does.

(2) It is injuring employee morale, reducing incentive to work efficiently, and increasing turnover among employees who are able to leave the Government and find greater job security in industry.

(3) It is placing a premium upon direct, noncompetitive hiring, since there is no incentive to hire competitively.

(4) It is compounding the appointment process itself by requiring, at the time of our study, the use of 15 separate authorities in law, rules or regulations. These require separate procedures, forms and audits as well as unmeasured clerical hours in keeping abreast of changes and searching for the right rule when an appointment is to be made.

(5) Use of the indefinite appointment is creating an appointment structure which, if continued, will require the same kind of conversion program found necessary at the end of World War II

WHAT ARE THE OBJECTIVES OF THE RESERVE PLAN?

The Civil Service Commission has expressed concern over present recruiting problems and the necessity to avoid a repetition of the conversion problem. Acting as it must within the framework of pertinent legislation, and influenced by traditional goals and processes, the Commission is considering a revised scheme of appointments known as the civil service reserve plan. Because of the widespread interest in this plan, the subcommittee has subjected it to careful analysis.

The new system contemplates four main types of appointments. In addition to the new reserve appointment, there would be the temporary appointment with a definite time limit; the indefinite appointment with no specified time limit; and the historical permanent appointment with its probationary period before automatic conversion to permanent status.

Briefly, entrance into the Federal service would be by two routes, as it is now. First is the orthodox route of formal examination through boards or Commission registers. This would be followed by reserve

appointees. The other route, the present system of direct hiring, would be followed by indefinite and temporary appointees without formal examination.

The objective of the Commission is to have, insofar as possible, 100 percent entrance through the examining route. Exceptions would be temporary and indefinite appointees where registers of eligibles were unavailable when appointments must be made.

Since "permanent" appointments would be made by converting reserve appointees, the principal type of new appointment would become the reserve appointment.

The essential difference between the reserve appointment and the so-called permanent appointment would be that reserve appointees would not have permanent tenure. This means they would not be in competition with permanent employees when reduction-in-force lists are made up; the reserve appointees would go first.

In considering the reserve plan, the Commission faced four basic interrelated problems:

(1) They felt that it was desirable insofar as possible, to have all Federal appointments made through open-competitive process.

(2) Such a process historically results in a probational or permanent appointment.

(3) The Whitten amendment placed a statutory ceiling on the number of so-called permanent appointments at the level attained in September 1950.

(4) Notwithstanding the ceiling, the addition of hundreds of thousands of new veteran employees to the rolls as permanent or status employees jeopardized the positions of nonveteran career employees of many years service in subsequent reductions in force.²³

The Civil Service reserve plan, therefore, has a sixfold objective:

(1) It encourages appointments to Federal positions through the open competitive process and in this way serves to improve the quality of the Federal workforce.

(2) By giving a reserve appointment, it confers all of the advantages of a so-called permanent appointment except tenure. This means that reserve appointees are not in competition for reduction-in-force purposes with career employees of many years standing.

(3) Since reserve appointees do not have "permanent" tenure, they are not counted under the Whitten Amendment ceiling of September 1950, a prime consideration of which was the reduction-in-force problem.

(4) Since reserve appointees would come through the open competitive examining process, there would be no necessity for another large-scale, costly conversion program such as was conducted after World War II.

²³ One field official explains, "In the great reduction in force of 1949 throughout the —, our station conducted its layoffs in strict conformance with law. Although only 500 employees lost their jobs, 2,500 were moved to other positions as a result of the 'bumping' process. Veterans with less than 6 months' service knocked out men with as much as 30 years' service. Public opinion, both in and out of our establishment, reached its lowest ebb in years with respect to efficiency and ethics in the Government service. Even veterans were disgusted. Under present conditions, if a large reduction in force were conducted in our station, over 1,000 handicapped persons, including 50 injured in their jobs at the station during the last 30 years, would be fired, simply because they are not or could not have been capable physically of attaining veterans preference. We accepted with relief the establishment of the indefinite appointment in 1950. Despite the advantages, recruitmentwise, of being able to offer permanent appointments, we believe this is not desirable until the Veterans Preference Act is changed. We believe that veterans should have every ethical preference right in obtaining a position, but that it is un-American for any man to be retained in a position for any reason other than merit."

(5) At some future date, the reserve appointees would be converted into permanent appointees. This could take place in three ways:

- (a) A gradual conversion to replenish vacant spaces under the Whitten ceiling;
- (b) A mass conversion when the emergency is over, after the Government has cut back its force out of the Reserve and indefinite ranks without displacing the permanent employees; or
- (c) A combination of the first two.

(6) Ultimately, a 100 percent Federal working force of normal peacetime size, composed of so-called permanent, or status employees.

While the reserve plan appears to satisfy many problems, the subcommittee felt that it did so at the expense of superimposing a new procedural complexity on top of an already costly and complicated system. As we pointed out, there is not just 1, but 15 separate general authorities in law,²⁴ rules or regulations in effect now. These separate authorities require separate clerical processes, separate inspection, and audit procedures by the Commission, and result in varying degrees of "rights" to employees, different classes of citizens.

The reserve plan would appear to compound this situation. It certainly cannot promote efficiency and economy.

WHAT IS THE APPOINTMENT PROCESS INTENDED TO ACHIEVE

Our inquiry sought answers to two questions:

- (1) Is the present procedural system efficient and adequate?
- (2) Is the appointment process achieving its goal?

For the reasons given above, we concluded that the present system was neither efficient nor adequate and should be jettisoned in its entirety. For the answer to our second question, it was necessary to define the goal which the appointment process was intended to achieve.

First and foremost, it is a means of getting a person on the job, giving him a payroll title. Regardless of the semantics of the title, there are only two kinds of jobs in either Government or industry:

- (1) Temporary jobs which take a specified, limited, length of time to perform; and
- (2) Indefinite jobs of longer, unspecified time duration.

In industry, the indefinite jobs are contingent upon the company's remaining in business and satisfactory service of the employee. A direct analogy is found in Government where jobs are contingent upon continuing appropriations by Congress and satisfactory performance by the employee. This fundamental truth required that we consider the meaning of the word "permanent" which has become fixed by rote in the Federal jargon.

"Permanent status" appears to have no qualities of its own but certain advantages are conferred upon those who possess it. It presupposes, in most instances, entrance into the Federal service through the competitive examination. The advantages conferred are threefold:

- (1) Noncompetitive promotion, transfer between jobs, reassignment and reappointment, all providing the employee meets minimum qualification standards set for the new job.

²⁴ Federal Personnel Manual.

(2) Top ranking on retention lists established for reduction-in-force purposes;

(3) Inclusion in the Federal retirement system.

It is clear, therefore, that there is no advantage conferred upon the holder of "Permanent Status", or its variables, which is an intrinsic guarantee of permanent or lifetime tenure.

The goals of the present appointment process then, as well as the proposed Reserve process, appear to be four in number:

(1) To get the applicant on the payroll.

(2) To influence the separation process. Both the "Permanent" title and the "Indefinite" title as required by the Whitten amendment are designed to protect the career employee.

(3) To earmark an employee who is eligible for non-competitive promotion and other actions.

(4) To earmark an employee who is under the Federal retirement system.

The chief problem lies in the attempt to influence the separation process by the type of appointment given. The subcommittee does not consider this a legitimate objective of the appointment process. The Government is in the rather ridiculous situation of experiencing difficulty hiring people because of worrying about how to get rid of them.

In formulating its recommendations, the subcommittee endorses the view of the Civil Service Commission that an open competitive examination is an essential requirement for all Federal appointments if the best quality employees are to be hired and the most efficient work program is to result. This view is inherent in all of the proposals contained in this report.

Adoption of the following recommendations, we believe, will achieve all of the objectives contemplated under the Civil Service Reserve plan, will deprive no employee of any right, privilege, or advantage now held or to be conferred under the Reserve proposal, and has the additional advantage of streamlining and simplifying the multiple appointment system with its attendant waste and inefficiency.

Recommendations

(1) The multiplicity of appointment titles should be abandoned in favor of two payroll designations which will realistically reflect the actual tenure of the job to which the person is appointed.

(a) Temporary: An appointment having a definite time limitation which will be the best administrative estimate at the time of appointment of the length of time which will be required to perform the job. Such an appointment should not exceed in general 1 year but may be extended for additional specified lengths of time, at the discretion of the appointing official based upon the exigencies of the work and under standards to be fixed by the Civil Service Commission. Such appointees would not be considered as a part of the regular continuing Government workforce.

(b) Regular: An appointment having as a requirement entrance through open-competitive examination, and tenure at the convenience of the Government as given effect through appropriate rules and regulations governing service and separation.

(2) The reduction-in-force rules and procedure which now influence the appointment process should be changed so as to remove this problem as a factor for consideration in appointing persons. (The subcommittee is issuing a separate report with specific action to achieve this objective.)

(3) The subcommittee advocates repeal of the Whitten amendment so that it will not be, among other things, a roadblock to sound appointment procedures. (A separate report is being issued treating this problem.)

(4) The subcommittee is cognizant that the Government working force is now composed of two main groups of employees; those who have earned their appointments as a result of open-competitive examinations, and those (approximately 400,000) who have not. To effect an equitable and just conversion of these two groups to the new types of appointment, we recommend three measures:

(a) All of those employees now holding appointments to positions of a temporary nature as contemplated in these recommendations, should be converted to a temporary appointment in an orderly and expeditious manner;

(b) All those employees holding appointments now termed "indefinite" and who have not received such appointments as a result of open-competitive examination may be given regular appointments in two ways:

1. By transfer or appointment to other positions through open competitive examination as contemplated in Part 11 of this report;

2. By performing 1 year of continuous Federal service which is certified to as satisfactory in every respect by the employee's supervisor, and all his supervisors during the year immediately preceding such certification, if more than one. Such conditions shall be deemed to be in compliance with principles of merit appointment and a conversion of an "indefinite" employee to regular status will be a right of the employee subject to a decision of the appointing officer as to the propriety thereof. Such decision shall be rendered upon recommendation of the appropriate board of examiners with respect to compliance with minimum qualification standards and satisfactory performance. The employee shall be entitled to receive a statement of reasons from the appointing officer in the event such conversion is not effected and may appeal first to the Board and next to the Civil Service Commission for decision as to sufficiency of the reasons.

(c) All other employees, and those now having competitive status, will be considered automatically as regular appointees of the Government.

(5) To the extent necessary, implementation of these recommendations may be correlated with the adoption of other recommendations contained herein, particularly those with respect to expanding, streamlining and speeding up open-competitive appointment through agency boards of examiners.

PART 8—USE OF CIVIL SERVICE COMMISSION REGISTERS

The traditional method of recruiting for Federal employment is through the announcement of examinations by the Civil Service Commission. At the end of the filing period—a few days to several months—registers of eligibles are established and as vacancies occur in agencies certificates are issued from which selection is made.

In the year ending June 30, 1952, approximately 22 percent of Government hiring came from these registers. A defense agency with annual hires around 200,000, reported the following experience as to sources of applicants covering a 9-month period:

	Number	Percent
Our own boards.....	69,712	52
Direct gate hires.....	40,677	30
U. S. Employment Service.....	14,166	11
Commission registers.....	9,193	7

To get a true picture [the agency reports] consideration should also be given to two facts:

1. We have barely begun to use the assistance which the USES has shown itself able to provide in most areas.
2. The 7 percent credited to Civil Service Commission central and regional registers includes people whom we have recruited and submitted for ranking on the Commission's open-continuous examinations.

Another large defense department reports that only 6.5 percent of their personnel comes from Civil Service Commission regional and central registers.

The Commission on Organization of the Executive Branch in 1948 found that the traditional method of recruiting was vague and impersonal, the process was slow and could not adjust to needs in time of emergency, and it did not assure that the best qualified were selected.

The Korean emergency has served to validate these findings.

Our inquiry has focused attention again on the problem and illumined basic defects which stand in critical need of correction:

(1) The present formal examining system breaks down under stress of emergency or near emergency as indicated by the fact that in 1951, 47 percent of all Government hires were made outside the system.

(2) As pointed out earlier, the examination announcement as now administered is not an effective or reliable applicant-attraction device.

(3) The central examination and measurement of applicants by the Civil Service Commission central and regional offices against standards of experience and training is in classes of positions so broad that they do not reflect the real specifications of the jobs.

The Civil Service Commission has been slow to recognize this and positions of administrative officer, accountant and other key positions are still examined for by the central or regional commission offices even though the positions require specialization. This policy is apparently not confined to top level or technical jobs, but also includes lower rated positions which are common to all or many agencies. One agency says:

In the present examination, the whole field of clerks, with rare exceptions, is considered interchangeable and subject to the same written test. We have found that RIF's caused interchange even within the Bureau, that clerks who performed one job satisfactorily failed when placed in a supposedly interchangeable position.

(4) The central register system is not flexible or responsive to agency needs and frequently deprives the Government of the services of persons who are qualified and available. One example of this is that of an installation which needed several organization and methods examiners, GS-5. The field official reports—

The Commission had no eligibles but stated that an examination was in process of rating and eligibles would soon be available. The examination was entitled "Social Science Analyst." When eligibles were certified they were found to be generally undesirable because they were recent graduates in a variety of general major fields whose only common denominator was a certain number of semester hours in the social sciences. The height of silliness in this situation was indicated when a qualified organization and methods examiner applied for a position directly to us and it was necessary to inform him that he would be required to take an examination for social science analyst at the regional office and acquire eligibility so that we could request certification of his name.

(5) Central registers are slow and unreliable sources of applicants. The Hoover Commission found in 1948 in a study of 607 registers that on an average the announcement and examination steps alone took 4 to 5½ months. In 1952 the Commission reported to the subcommittee they had reduced the lapse of time for central registers from 191 days, or from 6 months to 3 months. The unreliability of registers, in part occasioned by inherent delays in the system, is shown by the rate of declinations or failures of certified applicants to reply to agency inquiries.

One agency has reported the following typical experience:²⁵

Title	Number of names certified	Declinations	Failures to reply
Accountant.....	8	1	4
Messenger.....	11	2	5
Do.....	6	3	3
Clerk-typist.....	5	4	
Do.....	11	6	1
Do.....	6	5	

The agency reports:

Even from the junior professional assistant register, where the Commission has made most effort to interview before final grading and to keep results current, a certificate in May 1951, carried 6 names which resulted in 2 declinations, 1 failed to reply and 1 returned unclaimed. Another certificate in November 1948 carried 12 names, there were 6 declinations, 2 failed to reply and 1 communication was returned unclaimed.

(6) Closed registers are costly and do not provide the best qualified available applicants. A register resulting from an examination open for a limited period of time, may continue to be used for a period of years. In the meantime, candidates who filed when the examination was open are not available when they are circularized, and thousands

²⁵ Another agency reports: "Prior to our announcing our own examination we attempted to recruit from the engineering aide register maintained by the Civil Service Commission. We had extremely poor results in securing personnel to fill our jobs. We got 98 percent declination from this register maintained by the Commission. After we announced our own examination in which we could explain our position thoroughly, which was not possible in the Commission announcement, we got fewer than 50 percent declination and were able to fill our positions. In fact we have now exhausted our register.

"We feel that we obtain better qualified applicants, and persons more willing to accept our appointments from examinations announced by the examining boards. Persons who rate the examinations will be experts in the field and can give a much better and meaningful rating than can persons who rate the examinations at the Civil Service Commission who rate from a form and not through actual knowledge of the position they are rating."

of well-qualified individuals cannot secure employment because the examinations are closed to them. One agency reports typically:

Applications received by the Civil Service Commission in 1947 and 1948 have been certified to us in 1951 and 1952. This results in many letters to people who are no longer interested in a position they applied for 4 or 5 years ago.²⁶

Thus, under "normal" conditions of partial unemployment, the system of centralized registers results in the examining of thousands of applicants who are rated eligible but who do not find employment as a result of such examinations. At the same time, the system prevents the hiring of qualified available people.

The Civil Service Commission has recognized many of these problems and the Examining Division in particular has instituted many progressive measures designed to decentralize recruiting responsibility to the boards. The Commission has, however, retained central examining responsibility for positions which are commonly found in all or many agencies; these positions are assumed to be of similar content and difficulty. This policy also assumes that such central examining is cheaper and prevents unnecessary duplication by agencies in examining for similar jobs.

While the per-applicant-certified cost to the Commission may be low, it does not include the costs to the agencies in screening out those who are unavailable or unsuitable, costs in lost production through long delay and actual costs of appointing those who are selected. Agencies have reported that costs of training of those selected from central registers are higher because they lack specialized knowledge of jobs they are required to fill. As another, more tangible example of these hidden costs, the Post Office Department estimates that it costs them over \$2,250,000²⁷ annually to service Commission examinations.

Recommendation

The subcommittee endorses the current policy of the Civil Service Commission with respect to the delegation of authority to agency boards to recruit, examine, and certify. We recommend, however, that this should be a total delegation covering all positions, according to the plan outlined in Part 11 of this report. This will not only achieve faster, more accurate recruiting at less overall cost to the Government, but will enable the Commission to focus its limited resources of men and money presently being dissipated by ineffective shotgun recruiting, on areas of personnel leadership, research and improvement sorely needed by the Government.

PART 9—BOARDS OF U. S. CIVIL SERVICE EXAMINERS

Boards of United States civil service examiners are authorized by section 2 of the Civil Service Act of 1883 and have been used to some extent from the Commission's earliest years. Since 1940 they have increased in number from 150 to 778.

In 1951, 31 percent of Government hiring was through boards.

²⁶ Another report: "The experience reported to us by the various bases indicates that delays are experienced when attempting to recruit personnel from Civil Service Commission central office or regional office registers of eligibles. This is due, chiefly, to the fact that many registers in these offices were established several years in advance of the present use and the eligibles have not been circularized to determine current availability or eligibility. In one instance, a certificate was issued in 1951 from a register established in 1947-48. The activity concerned had to circularize all eligibles certified to determine their availability and eligibility. This was a timely and costly process which netted no available persons. The process had to be completed, however, before the certifying Civil Service office would issue authority for direct hires."

²⁷ Senate hearings on S. 1135, 82d Cong., 1st sess.

There is no solid agreement as to the proper role of boards in the Federal hiring picture. The Civil Service Commission adheres to the position that they are integral parts of the Commission's organization, "little commissions" responsible only to the Commission itself. The agencies, on the other hand, point out that board personnel are agency employees, paid by the agency and performing administrative functions at the direction of the agency.²⁸

A view held by some officials is that the act of 1883 contemplated that boards should do all Government recruiting and examining under rules and standards promulgated by the Commission and, that in lieu of this, the Commission has imposed procedural requirements geared to the Commission's internal operations which unnecessarily restrict the boards in performing their duties. These officials believe the only remedy is through a change in the act which will transfer board responsibility to the agencies. Others have advocated an outright abandonment of the board concept.²⁹

The subcommittee has carefully considered these arguments, since there is imposing evidence that the present relationship, with its divided responsibility of board members to the agency on the one hand and the Commission on the other, is having a sharp impact on the cost and effectiveness of recruiting and examining activities. It has resulted in duplicate systems in the personnel office, duplicate records and separate applicant files, even though the same agency employees are responsible for everything. Board records, for example, must be turned over to the Commission upon dissolution of the board, regardless of whether the sponsoring agency remains in business.

The tight control imposed upon the boards by the Commission seems, in many cases, totally unresponsive to agency recruiting needs. To illustrate, one board, in complaining of a Commission ruling, received a rejection of the complaint from the regional office:

This office, of course, does not have the authority to reverse the Commission's decision nor does this office feel that it should request the Commission to reverse its decision in view of the fact that the decision was made by the Commission with full knowledge of the complications which would result such as those cited in your letter.

We have found in our study that the relative effectiveness of board hiring is second to direct agency hiring, with Civil Service Commission registers running a poor third. In some agencies, board functions are integrated to the maximum degree with employment functions of the personnel office.³⁰ Separate systems, controls, and procedural relationships, however, must be maintained. In other agencies, board functions are isolated from regular personnel office activities, and diminish in effectiveness while increasing in cost.

²⁸ A defense agency: "It must be pointed out that the 70,000 employees recruited through our Civil Service local boards do not truly represent a service to the agency by a unit of the Civil Service Commission. In actual practice, the board staffs are on our payroll and agency personnel carry the recruiting load of the boards by developing qualification information, direct recruiting, persuading applicants to apply and submission of applications to the local board for board approval. The boards, in effect, perform a certifying rather than a recruiting function."

²⁹ The role of our personnel offices in relation to our boards is literally one in which the agency meets the needs of the boards in locating people and persuading them to apply and in providing them with information as to the qualifications required by the jobs being filled. If responsibility for board activities were transferred as suggested, it is recommended that the boards as such, be eliminated and that the activity be made an integral part of normal personnel office operation. There seems to be no need for this separate type of administrative machinery.

³⁰ The Chief of our Employment Section is also the executive secretary of our Board. The qualification rating examiners doing agency ratings are approved members of the board and, therefore, also perform board ratings. The clerical personnel support work on both agency and board functions as they are needed.

FILLING POSITIONS FROM REGISTERS MAINTAINED BY BOARDS IN OTHER AGENCIES

Many of the problems pointed out with respect to Commission registers applies equally to the use of registers maintained by boards in other agencies. The relationship of the agency having the vacancy to such boards is approximately the same as it is to Commission examinations and registers.

The underlying theory of having a board announce an examination on behalf of all agencies, with reciprocating announcements by other boards for different positions, is a distribution of the workload. We have found that this does not work too satisfactorily. In addition to the complaints against Commission registers cited previously, the one most heard is that the agency board announcing the examination gets first crack at the best people, leaving the customer agencies with second bests. The mechanics of the system do make this possible.

The existing system is essentially as follows: The Civil Service Commission requests periodically a report of estimated recruiting needs of the agencies for a stated period, usually 6 months. These reports are consolidated and a projected examining program drawn up. If sufficient demand is apparent to warrant reannouncing examinations to reestablish depleted registers, the agency board which originally announced the examination and maintains the register is requested to reannounce the examination. Also, agency boards are required to submit to the Civil Service Commission, for coordination and prior approval, their examining schedule for a 1-year period. A decision is reached as to which examinations will be announced by the Civil Service Commission and which by the boards. Those examinations which do not logically belong to the Civil Service Commission or a specific board are parceled out to other boards or retained by the Civil Service Commission on the basis of mutually agreeable arrangements.

Thus, agencies usually have little if any participation in examinations announced by other boards, and for this and other reasons cited above, they try to avoid the use of registers in other boards. One agency reports, for example, that out of 600 appointments in one 6-month period, only 73 were from registers held by boards in other agencies.³¹

Commission coordination of examinations by boards has not been too satisfactory largely, we believe, because the Commission is too far removed from fluctuating work level needs. One agency, for example, reports:

This agency's board has approximately 600 eligibles for laborer positions and is not utilizing the register to any extent, yet another base in the same area has recently announced a laborer examination.

³¹ Other comments: "This office has not participated in the board activities of other agencies and we have not utilized any registers established from their examinations, except for an occasional position of laborer, fork-lift operator, or office-appliance repairman."

"The biggest deterrent to hiring through boards of other agencies is the excessive length of time required to fill a position through this method."

"Past experience has been that chauffeur registers were handled by the Chicago board. We are 35 miles from the Chicago Loop and the certificates furnished us were of no value in that qualified chauffeurs living in the Chicago area were not interested in jobs 35 miles from the Loop. After the chauffeur registers were set up by our board, we have been reasonably successful in keeping our chauffeur positions filled."

POST-OFFICE BOARDS

In addition to the 778 boards mentioned above, there are approximately 8,300 boards located in post offices which represent a special situation. These are composed of 388 audit boards which issue certificates for post-office vacancies only from registers prepared by the Civil Service Commission, and are responsible for the accuracy of selections made from certificates. The balance of 7,920 post-office boards do not carry the usual board functions but serve principally as public information centers.

The Post Office Department has estimated that the cost of this activity exceeds \$2,250,000 annually. The situation is further complicated by the fact that this expenditure does not cover the cost of hiring in post-office jobs. The Commission itself rates papers and issues certificates of eligibles to the post office.

As we have pointed out earlier, the use of the post offices and their nonaudit boards as a publicity device for agency and Commission examinations is not effective.

Conclusions

In analyzing the problem, the following conclusions present themselves:

(1) The principles of open competition and selection on the basis of merit, indispensable requirements in our form of government, can be adequately accommodated by the board of examiner concept.

(2) Cumbersome, costly, and time-consuming board procedures have forced the delegation of direct hiring authority to agencies. Since the board's purpose is to serve the appointing authority by providing qualified candidates when needed, its processes and facility of operations must be potentially acceptable to the appointing authority if it is to survive as a management instrument.

(3) Unnecessary duplicate systems of personnel records, procedures, and files serve no real management purpose and greatly increase costs in money and man-hours.

(4) It is frequently necessary for applicants to apply to several boards and personnel offices in the same area to receive consideration for all positions for which they are qualified. By utilizing the employment service offices as proposed in part 11 of this report, the necessity for multiple filing of applications will be virtually eliminated; there will exist in most geographic areas one central point where an applicant may obtain information concerning all Federal job vacancies in the area.

(5) There appears to be no reason why the post offices should be used as employment agencies particularly since the Congress has established a nationwide system of public employment offices to perform that function. Furthermore, we can see no justification for the Post Office Department's reluctance to step into line with other Federal agencies and conduct recruiting and examining programs for their own jobs subject to Civil Service Commission inspection and audit.

Recommendations

(1) Full recognition should be given to the principle that agency boards are an integral part of agency personnel operations. Although the board's examining authority derives from the Civil Service Commission, it is responsible to the agency for operations and results and accountable to the Commission for legality and compliance with operational standards set by the Commission.

(2) Board organization should be sufficiently flexible as to permit the establishment of a board in every appointing office, i. e., every Federal office to which appointing authority is delegated, which is not serviced completely by another board or boards.

(a) The subcommittee looks forward to the establishment of a board in every appointing office to have full responsibility for the certifying of eligibles to its appointing authority. We believe this could eventually be achieved in even the smallest office, under the plan contemplated in part 11 of this report, by making full use of Employment Service administrative and clerical facilities.

(b) Where an appointing office board is serviced by boards in other agencies, such other boards should be sources of applicant referral having the same relationship to the appointing office board as the Employment Service office.

(3) All agency hiring should be done through the Board serving the appointing office applying principles of open competition to every job.

(4) The Civil Service Commission should simplify and integrate standards of board operation into total agency personnel processes so that the board will become a true and facile instrument of the appointing authority. This should eliminate unnecessary duplication of records and achieve maximum simplicity and overall efficiency in one appointing process.

(5) The Civil Service Commission should integrate audit and inspection of board operations into a total program audit of personnel management in the appointing office and in overall agency activities. In this respect, standards for the establishment of boards should be such as would reasonably guide agencies in the proper and feasible delegation of appointing authority.

(6) The subcommittee believes that integration of these personnel processes as outlined above is absolutely essential. We believe that this and other proposals in our report override in large degree the arguments which have been presented to transfer responsibility for examining from the Civil Service Commission to the agencies by a change in the act of 1883. We propose, however, that the Senate restudy the desirability of such a change in light of improvements resulting from this report.

(7) The Civil Service Commission should take immediate steps to transfer to the Post Office Department those examining activities which the Commission now conducts for that Department. The Commission should advise the Department as to the proper organization and operation of boards to meet the manpower needs of the Department, and designate members to serve on the boards. Though the post offices can legitimately be used to tack up notices of Federal job vacancies in places where they are likely to attract applicants, the cost of organizing and maintaining "nonaudit" boards is largely wasted and should be discontinued.

PART 10—BUREAU OF EMPLOYMENT SECURITY, DEPARTMENT OF
LABOR (U. S. EMPLOYMENT SERVICE)³²

The Congress has appropriated large sums for services to provide for the employment of people. To some degree this has resulted in overlapping and duplication in federally supported employment activities.

The Wagner-Peyser Act of 1933 provides in part as follows:

It shall be the province and duty of the Bureau [U. S. Employment Service, now the Bureau of Employment Security] to promote and develop a national system of employment offices for men, women, and juniors who are legally qualified to engage in gainful occupations, to maintain a veterans' service to be devoted to securing employment for veterans, to maintain a farm placement service, to maintain a public employment service for the District of Columbia, and, in the manner hereinafter provided, to assist in establishing and maintaining systems of public employment offices in the several States and the political subdivisions thereof in which there shall be located a veterans' employment service.

The Civil Service Commission was, of course, operating before passage of the Wagner-Peyser Act. Since passage of the act, however, there has been no attempt to transfer recruiting activities carried on by the Commission to the system of employment offices established by the act. In lieu of this, the Commission with its fifteen-odd offices and finding itself unable to cope with a Federal employment structure of 2,500,000 people, has sought to transfer part of its recruiting activities to the agencies.

The Civil Service Commission has approximately 850 people in 15 offices engaged in recruiting and examining operations at a cost of about \$3,500,000 annually. The fact that these people are used for operations seriously reduces the Commission's effectiveness in vital areas of leadership, staff guidance, promulgation of standards, personnel research, etc.

The Bureau of Employment Security supervises a system of approximately 1,800 offices with 17,000 people engaged in employment activities at a cost of about \$80,000,000. This includes the staff in its Washington and regional offices of around 1,000 people at a cost of \$5,000,000.

The subcommittee has examined to see whether the Employment Service could be utilized as a principal applicant source for all Government hiring.³³ Our objective has been twofold:

(1) To make maximum use of Employment Service System and facilities to the extent that such use is consonant with, and can serve adequately, the principles of merit and open competition on which our Federal service rests. To a corresponding degree, the duplicating clerical, administrative, and recruiting activities of the agencies should be reduced.

(2) To take the Commission out of the business of recruiting and examining operations so that their total resources could be devoted to areas of leadership so badly needed in Federal personnel management.

The United States Employment Service has offices in every State in the Union, Alaska, Hawaii, Puerto Rico, and the Virgin Islands. Personnel assigned to State offices run from lows of 33 in Delaware and 39 in Nevada to 1,193 in California, 1,034 in Pennsylvania, and 2,006 in New York.

³² See p. 38 of this report.

³³ A number of Federal officials have recommended this course of action. One typical comment follows: "I believe the role of the United States Employment Service could be improved generally if that agency were designated as a primary source of recruitment for Government positions rather than the Civil Service Commission."

Some of the services presently available in these offices to private employers, and potentially available to the Government agencies are indicated by appendix B.

The subcommittee finds that the Bureau of Employment Security has negotiated agreements with the States of New York and California to recruit, test and examine for entrance into the State civil service merit systems. In the State of New York, for example, a report dated Oct. 2, 1952, reveals a high ratio of placements to referrals.

Persons applying to employment service for civil service tests	5,711
Tested	4,811
Referred to N. Y. Civil Service Commission	1,501
Placed in civil service jobs	1,096

The Bureau frequently negotiates recruiting and employment agreements with private employers, some among the largest corporations in the Nation. The Bureau also carries on a wide variety of research and staff services in Washington and the field in connection with tests and standards development, validation studies, occupational analysis, staff development studies, etc.

Generally, the Commission and the Bureau go their own separate ways and there is very little interchange of information on test development and other staff studies. For example, the Bureau spent considerable time and effort developing the General Aptitude Test Battery covering 1,500 occupations. The Commission, working at the same time developed its own Multiple Aptitude Test Battery. Both batteries serve approximately the same purpose.

The agencies and the Federal service generally suffer from this lack of coordination. The results of Bureau work are available to industry but not generally to the Government. Thus, agencies frequently have need for a type of test which has been developed by the Bureau, but they are not permitted to use it since it has not been approved by the Commission.

Since Commission resources cannot meet agency needs, agencies frequently develop their own tests and run their own studies. Some of the defense agencies have developed long lists of tests of the same general nature which the Bureau has been using for years. Even field stations get into the act. Our staff, for example, found one field station with four people assigned to give typing and stenographic tests twice a week to applicants and work the rest of the week developing tests. A fully staffed Employment Service office is within one block of this agency, and is performing both activities for their industry customers.

While recommending the wider use of Employment Service offices,³⁴

³⁴ One example, a large defense agency:

"The U. S. Employment Service is informed of jobs for which we are recruiting directly and actively. In some instances the same information is given as is given to the Civil Service Commission, plus quarterly national clearance orders. Recruiting problems are discussed regularly by some installations with local and State managers. For some of our installations, an applicant anywhere in the United States can find out about our critical shortage vacancies by applying to any employment service office. At present, however our cooperative arrangements with U. S. E. S. vary. Based on the service given, we would like to see an increase.

"The Employment Service has given us assistance in both national and local recruiting, including recruiting in Puerto Rico, Hawaii, and Alaska. It can give us testing services on many types of jobs and provide us with test information for our consideration in selection. It provides office space as a normal practice for our field-going recruiters and gives them advance publicity. Service provided by local offices varies in quality, some of it not being up to the standard of effectiveness which we would like to obtain.

"It is felt that the proper role of the U. S. E. S. would be to provide to our installations, upon request, exactly the same services which are provided to industry. It is further felt that the U. S. E. S. is much better equipped and has wider spread facilities for the provisions of recruitment assistance to our organization than has the Civil Service Commission and that responsibility for such assistance should be transferred to it. This responsibility would be that of assistance on request and would not include responsibility for controlling appointments."

Federal officials have been equally frank in pointing out deficiencies in the Employment Service system. Thus, one official says:

Employment Service could do a much better job of keeping agencies advised of labor surpluses on a nationwide basis.

An extreme view is expressed by the personnel director of a Washington agency:

We do not see how the role of the United States Employment Service could be improved under existing conditions. The Employment Service is organized on a State basis and the Federal office in Washington finds it extremely difficult to force through an accepted national policy. Many individual field offices have been extremely helpful to our recruiting teams and we have used such offices on occasion for recruiting trips. These offices do not stay open after hours, however, and in most cases cannot be opened on Saturday and Sunday. A number of local offices have been downright hostile and a few have not hesitated to openly state that they are concerned only with filling local needs.

This dissenting view, we believe, must be weighed in the light of the fact that the agency's only contact with the Employment Service has been in connection with field recruiting trips from Washington. Its field activities in the continental United States are limited.

Notwithstanding, the subcommittee felt that the problem of jurisdictional control of Employment Service offices, deserved careful consideration. In this connection, the Bureau of Employment Security, which provides funds, staff direction and program control for the offices advised us as follows:

The headquarters office of the Bureau is organized to formulate policy; to establish minimum standards of operation; to recommend methods of organization and management; and to evaluate the operations of State agencies based on the standards of operations.

The regional offices of the Bureau are branches of the headquarters office. Each regional office has the responsibility to determine whether minimum standards are being met by each State in the region; to provide technical assistance in matters of organization and methods of operation; and to evaluate the operations of the State agencies.

Methods of control exercised by the Bureau of Employment Security include the budgetary process and the evaluation of local office operations by the headquarters and regional offices.

Bureau policies and minimum standards of operations are included in the Employment Security manual with definitions which pertain to the reporting of Employment Service activities.

Evaluation of local office operations are conducted by headquarters and regional offices and a standard outline is used for this purpose. A copy of this outline is attached. Other visits to State agencies are made by staff members of the headquarters and regional offices for other purposes such as providing technical assistance. On such visits, the staff members have opportunity to observe the degree of compliance with Bureau policies and minimum standards.

If offices are not meeting the minimum standards established, or if they are not following the policies of the Bureau, the matter is discussed with the State director. This has practically always resulted in necessary corrective action being taken. In the event that such action were not taken, the Bureau would have the authority to withhold funds from the State.

Recommendations

The recommendations of the subcommittee with respect to wider use of the Bureau of Employment Security and system of Employment Service offices in Federal hiring activities have been covered partially in the earlier portions of this report.

We contemplate a maximum use of these facilities and redirection of the entire Federal employment structure as described in part 11 of this report.

PART 11—A PLAN FOR ORGANIZING PERSONNEL RECRUITMENT AND
EMPLOYMENT IN THE FEDERAL GOVERNMENT

Federal policies and practices governing recruitment and employment are based upon the premise that qualified applicants will be competing with each other for Federal positions. Conditions of surplus labor supply are assumed. The realistic present and probable situation within the foreseeable future, however, is one in which the Federal Government competes with industry in nearly all labor markets and in many occupations for qualified applicants. The conditions of labor demand approximately balance or, in some cases, exceed supply.

The subcommittee believes that a system is needed which will equally satisfy both conditions of our national economy. Such a system should be responsive to the changing needs of our Government while serving continuously principles of merit and efficiency essential to our form of Government. Proposals in this report, contemplating a reorientation of our Federal employment structure, are designed to foster such a system.

ROLE OF THE CIVIL SERVICE COMMISSION

The Civil Service Act of 1883 authorizes the Civil Service Commission to make regulations for, and have control of, open competitive examinations which will fairly test the relative capacity and fitness of persons for Government employment. The Commission is further authorized to designate agency personnel to be members of boards of examiners. These authorities are reaffirmed as proper instruments for the preservation of merit principles in the Government service.

The responsibility thus conferred upon the Civil Service Commission should manifest itself with respect to personnel recruitment, examining, selection, and appointment, in the following ways:

(1) The promulgation and enforcement of rules, regulations, policies, and standards which, among other things, will give effect to recommendations embodied in this report.

(2) The assignment of Commission representatives to supersede members of boards of examiners in the agencies where such action is deemed necessary for the preservation of principles of merit in Government employment. Such penalty action contemplates in all but the most emergent situations, prior representations to the agency head citing circumstances and reasons why the action is deemed necessary, and affording the agency head opportunity to take corrective action satisfactory to the Commission. The salaries and expenses of Commission representatives so assigned will be reimbursed as necessary by the agencies to the Commission upon the Commission's request.

(3) The development and conduct of programs of personnel research including examination development, validation of employment and personnel selection techniques, and related activities. This responsibility extends to the coordination, control, and approval of all programs of similar nature carried on by other agencies of the Government, except the Bureau of Employment Security with respect to their normal activities, and contemplates that the results of such programs will be made available in the general Government interests. The Civil Service Commission thus will be held accountable by the Congress for the effectiveness and economy of such programs.

(4) The national planning for meeting Federal manpower requirements and the coordination of such planning among the agencies and the Bureau of Employment Security. This responsibility contemplates that the Commission will organize and direct the activities of a Federal manpower policy group composed of representatives of agencies, the Bureau of Employment Security, and industry to (1) formulate and recommend policies governing Federal employment activities and overall manpower requirements; (2) to coordinate national planning of manpower requirements of the various Federal agencies with respect to the total resources of the Nation; and (3) to otherwise serve as needed.

ROLE OF THE FEDERAL AGENCIES AND BOARDS OF EXAMINERS

Federal agencies, departments and independent offices, will be responsible for recruiting, examining, selecting, and appointing personnel within the framework of regulations and standards established or approved by the Civil Service Commission.

(a) Each office in the Federal Government to which appointing authority is delegated will be served by a board of examiners having full recruiting, examining, and certifying authority for the jurisdiction of the appointing office. This contemplates that the Civil Service Commission will issue standards which, among other appropriate objectives will reasonably guide agencies in the proper and feasible delegation of appointing authority. Under such conditions all Federal hiring will be done through boards located in the agencies.

(b) Boards will make maximum use of United States Employment Service offices and facilities for testing and other purposes. It is contemplated that the referral of applicants by the United States Employment Service to boards will be of the best qualified, in easily manageable numbers sufficient to meet current applicant needs (appendix A). Thus, the burdensome clerical and administrative processes heretofore necessary under Board operations will be minimized and even the smallest Federal appointing office can adhere to and promote principles of merit appointment.

(c) Notwithstanding the service rendered by United States Employment Service offices, boards will be responsible for taking whatever additional measures the Board deems necessary to assure an adequate supply of qualified applicants.

(d) Within the framework of Civil Service Commission regulations and standards, boards of examiners will be empowered to make necessary adjustments in hiring standards and specifications in light of information on supply and availability of workers as reported by local United States Employment Service offices.

ROLE OF THE BUREAU OF EMPLOYMENT SECURITY, DEPARTMENT OF LABOR

The Bureau of Employment Security and its several Employment Service offices (the United States Employment Service) will be a principal source of applicant supply for all Federal positions and will undertake whatever modifications or improvements of its organization and methods are necessary to adequately discharge this responsibility. In its relationship to the Federal agencies served, the United States

6. FEDERAL RECRUITMENT AND EMPLOYMENT PRACTICES

Employment Service will perform at least any or all of the services it renders to private employers, including adequate publicity for job vacancies; recruiting; testing; assistance in reviewing, evaluating, and revising estimates of anticipated manpower requirements; assistance in reviewing and revising hiring policies and specifications in light of national or local labor market conditions; and, in urging the greater utilization of workers barred for nonoccupational reasons where consonant with national policy.

The use of staff facilities and services of the United States Employment Service with respect to personnel research, test construction, and validation of employment and personnel selection techniques, and related activities, will be developed to the maximum advantage of the Federal employment program of the Government subject to joint planning, review, and coordination of such activities by the United States Employment Service and the Civil Service Commission. This contemplates that maximum advantage will also be taken of the research activities carried on by United States Employment Service in its cooperative research with colleges, universities, and private employers.

COORDINATION OF STAFF PROGRAMS

In readjusting the Federal employment structure to better serve the overall Government interests, it is contemplated that there will be a minimum of duplication and overlapping of activities in the fields of personnel research and development, and a maximum interchange of information and professional findings between the Civil Service Commission and the United States Employment Service.

PROPOSED FUNCTIONAL SEQUENCE

(As contemplated in appendix A, "Description of Suggested Referral, Rating, and Ranking Process")

1. As a minimum standard for assuring publicity and open competition for Federal positions, each board of examiners will report, as position openings, every vacancy within its jurisdiction, which will not be filled by internal promotion, to the local Employment Service office servicing the Board.

(a) The Employment Service office within the framework of standards approved by the Civil Service Commission, and with concurrence of the board in each specific instance, will adequately publicize the vacancy, and recruit for candidates.

(b) The Board, with the collaboration of the Employment Service office, will undertake any additional publicity measures and positive recruitment deemed necessary by the Board to assure an adequate supply of qualified candidates.

2. The Employment Service office using selection criteria determined by the Board and in line with approved Civil Service Commission standards, will refer a sufficient number of the best qualified candidates to the Board to adequately fill all vacancies listed as job openings.

3. The Board will establish a register of candidates referred by the United States Employment Service office, together with candidates applying directly to the Board and from other sources. If sufficient qualified candidates are not referred by the Employment Service office to adequately fill the vacancies in the judgment of the Board,

the Board may take other measures deemed necessary to assure an adequate supply of qualified candidates.

4. The Board will certify names of eligibles to the appointing officer for selection in accordance with procedures prescribed by the Civil Service Commission.

5. After selection of candidates to fill all current vacancies, the Board will record action taken to show clearly the legality and propriety of selections made.

(a) The Board will report names of all candidates selected to the United States Employment Service office and will retain all pertinent documents for the agency's personnel files.

(b) All pertinent documents of candidates not selected will be returned to the Employment Service office.

(c) The Board will cancel and retain the register for future Civil Service Commission audits.

6. In periodic audit and evaluation of agency personnel activities, the Civil Service Commission will inspect and audit the records and activities of the boards. To the extent deemed necessary, the Employment Service office will cooperate with the Civil Service Commission in an audit and inspection of Employment Service office records and activities pertaining to the recruitment and referral of applicants for Government employment.

7. Though local examinations held through the facilities of the Employment Service office and agency boards will be consistent generally with the present Civil Service Commission principle of geographic publicity sufficient to meet the needs of the service, no applicant qualified and willing to comply with examination requirements should be excluded from full consideration in the regular order of appointment.

8. The principle of overwidening geographic publicity to produce sufficient applicants to meet the needs of the service may be extended, when circumstances warrant, to include State, region, or Nation-wide coverage through many or all Employment Service offices for any local Board examination with formalized recruitment, and testing if necessary, conducted in each locality by the local Employment Service office.

MAINTENANCE OF CLOSED REGISTERS BY AGENCY BOARDS (ASSEMBLED EXAMINATIONS)

Though maximum use of the process outlined above should be made to assure the best qualified currently available eligibles, on a continuously open competitive basis, no rigid rule can safely be formulated to govern the establishment and temporary maintenance of closed registers by agency boards resulting from written, assembled examinations. The determination in each instance can best be made under local consultation between the Board, the Employment Service office, and other interested agencies, based upon local circumstances, estimated workload, and applicant requirements, and the respective resources available to the agencies and the Employment Service office.

Since closed registers deprive qualified candidates, veterans, and nonveterans alike, from being considered for appointment after the closing date, and frequently result in the appointments of lesser qualified people than are currently available, the use of this system should be minimized insofar as exigencies of written, assembled examinations permit.

NATIONWIDE COOPERATIVE EXAMINATIONS FOR ALL AGENCIES

(a) In coordinating the national planning of Federal personnel requirements, the Civil Service Commission in consultation with the United States Employment Service will determine the occupational fields for which nationwide recruitment is needed; for example, entrance level professional, scientific, administrative, and technical positions. The Commission will initiate and coordinate the administration of such examinations through specially constituted, cooperative boards, using Employment Service offices and augmenting recruitment activities as necessary with interested agency personnel according to the pattern established in the JMA series.

(b) Through an order holding Employment Service office in Washington, examination announcements and publicity material may be distributed to all 1,800 established Employment Service recruiting offices in the Nation, with planned programs for local promotion. In examinations where it is desired to reach special categories of college graduates, efforts may be directed toward selected college and university communities having the required curricula. Similarly, recruitment may also be directed toward labor surplus areas if desirable in the national interest.

(c) Simultaneous examinations may be conducted in selected offices throughout the Nation, with papers returned to the order-holding Employment Service office for machine scoring and referral of the test results and records of all passing applicants to the special examining board.

(d) The cost of such programs of recruitment should be borne by the sponsoring agencies of the special board.

MANPOWER SHORTAGE CATEGORIES

Through its nationwide network of recruiting offices, the Employment Service office may conduct continuous recruitment of shortage-category applicants. This should tend to reduce sharply field-recruiting trips by agencies for common-type jobs such as typists and stenographers. However, necessary field recruiting by agencies should not be discontinued arbitrarily, but may be carried out under the auspices of the hiring board, using existing Employment Service office-clearance procedures and the more formalized and effective services contemplated under this plan.

RIGHT OF EVERY QUALIFIED CITIZEN TO RECEIVE CONSIDERATION FOR
FEDERAL EMPLOYMENT

Through the use of Employment Service facilities, an applicant may file his application with one Employment Service office in any geographic area and be referred promptly for consideration for any Federal position vacancy in the area for which he is qualified. The applicant may, if he wishes, limit his consideration to a particular position or agency of his choice. For those positions having standardized performance and aptitude tests, and common selection standards throughout the Government, the Employment Service can determine qualifying eligibility for appropriate positions in all agencies and promptly refer applicants to agencies having current vacancies.

There would be no need for duplicate testing by the agencies, **within** time limits set by the Commission.

Using the national facilities of the United States Employment Service, procedures can be established whereby any qualified citizen may apply for a Federal position in any location in the Nation having a Federal installation. Interview results, test scores, local qualifications, and reference investigation data, and other pertinent information may be forwarded by the local Employment Service office in the applicant's hometown, to the Employment Service office in the location of the applicant's choice; for consideration by the agency of his choice if he wishes. He would be assured of consideration in the next open-competitive examination for positions for which he was qualified, providing he was able to comply with examination requirements.

PUTTING THE PLAN INTO EFFECT

The Civil Service Commission, in collaboration with the Bureau of Employment Security, Department of Labor, is requested to draft detailed plans, including any necessary legislation, Executive orders, and so forth, for implementing the proposals and recommendations contained in this report. Such plans should be submitted to the Senate for review and approval within 90 days from the date of this report.

PART 12—SUMMARY OF RECOMMENDATIONS

For improvement of the applicant-attraction process (p. 45)

(1) The requirement that the traditional examination announcement be issued before any competitive examination may be conducted should be modified to allow discretion to the issuing board of examiners.

(2) New standards should be prepared to govern the publicizing of all Federal job vacancies designed to assure equal opportunity of competition regardless of the authority under which applicants are sought for hiring. These standards should include provision for the discretionary use of a newspaper or other public announcement on either a paid or unpaid basis, where locally desirable, as a formal announcement of examination.

For the utilization of Federal employees who are reduced-in-force (p. 52)

(3) The placement of Federal employees who are reduced-in-force by Federal agencies should be facilitated through the use of United States Employment Service offices.

For more productive field recruiting trips (p. 57)

(4) The clearance procedure of proposed field recruiting trips by agencies should be simplified, and more effective channels established between the agencies and the United States Employment Service to assure that the recruiting agency is supplied with current information on labor market conditions and maximum help in all phases of recruitment.

For payment of applicant and appointee travel expenses (p. 58)

(5) Subject to adequate safeguards, agencies should be authorized, under circumstances having advantage to the Government, to pay for the invitation travel expenses of applicants and for the movement

of a new employee, his dependents and household goods to the first duty station.

For improved use of qualification standards (p. 75)

(6) The Civil Service Commission should undertake a program of research, the results of which may be applied to replace or supplement present methods for setting qualification standards. As an immediate measure, authority should be delegated to boards of examiners to approve qualification standards developed at the local level under guidelines established by the Civil Service Commission.

For improved use of the interview in the examining process (p. 82)

(7) The interview, in most instances, should be recognized as an indispensable part of the formal examining process. Provision for its controlled use is made in a suggested new examination pattern, outlined in appendix A.

For relating examinations to labor market conditions (p. 84)

(8) Authority should be delegated to the various boards of examiners, subject to standards, to raise or lower examination cutting scores according to the Government's need for applicants and the local labor market conditions.

For improved rating and ranking of applicants (p. 91)

(9) The Civil Service Act of 1883 should be amended to eliminate the provisions relating to apportionment.

(10) The Veterans Preference Act of 1944 should be amended to require that preference applicants obtain passing grades in examinations, and that preference eligibles have compensable service-connected disabilities of 10 per centum or more to be entitled to 10 points in addition to earned ratings and for placement at the top of the appropriate civil service register.

For improved selection of applicants (p. 100)

(11) Authority should be delegated to boards of examiners to pass on the sufficiency of reasons for passing over a preference eligible.

(12) Improved standards should be established to govern boards of examiners in the granting of selective certification.

For improved appointment of applicants (p. 110)

(13) The multiplicity of appointment titles should be abandoned in favor of two payroll designations which will realistically reflect the actual tenure of the job to which the person is appointed, i. e., temporary and regular designations. This recommendation presumes adoption of the subcommittee's separate recommendations pertaining to improved reduction-in-force rules and to repeal of the Whitten amendment treated in other subcommittee reports.

For discontinuance of the use of registers of eligibles maintained by the Civil Service Commission in its central and regional offices (p. 119)

(14) Authority should be delegated to boards of examiners located in the agencies to recruit, examine, and certify eligibles for all categories of Federal positions, according to the plan outlined in part 11 of this report.

For improvement of boards of civil service examiners in agencies (p. 126)

(15) Board organization and procedures should be integrated into total agency personnel operations and should be sufficiently flexible as to permit the establishment of a board in every appointing office, i. e., every Federal office to which appointing authority is delegated, which is not serviced completely by another board or boards.

(16) All Federal hiring should be done through the board serving the appointing office.

(17) The Civil Service Commission should integrate audit and inspection of board operations into a total program audit of personnel management in the appointing office and in overall agency activities.

(18) The Post Office Department should assume immediate operating responsibility for those recruiting and examining activities which the Civil Service Commission now conducts for the Department.

For improved utilization of the facilities of the Bureau of Employment Security and the United States Employment Service with respect to Federal hiring activities (p. 135)

(19) The subcommittee recommends the maximum use of these facilities and redirectioning of the entire Federal employment structure as outlined in part 11 of this report.

APPENDIXES

APPENDIX A

DESCRIPTION OF SUGGESTED REFERRAL, RATING, AND RANKING PROCESS

First step: The Board of Examiners places order with Employment Service Office for applicants to fill current vacancies.

Second step: Initial screening of applicants and referral by Employment Service Office to the Board. (In those locations where there is no Employment Service Office to service the Board, or where, in special situations, such service is deemed inadvisable, the Board will receive applications and perform the initial screening.)

Using Civil Service Commission approved rating schedules for experience and training, and/or Civil Service Commission approved written and performance tests, both approved for use in the specific referral by the Board, the Employment Service refers a sufficient number of the best-qualified applicants.

Using the same basis for screening, the Board may bring into competition all applicants who have applied to the Board directly. Where a written or performance test is administered for the Board by the Employment Service Office, such applicants will be referred to take the test.

Third step: The Board establishes a tentative register by assigning all referrals a passing grade, or earned rating, of 70 points. The passing grade is augmented by preference points for preference applicants.

Fourth step: The Board credits knowledge, skill, and ability factors, a maximum allowable of 15 points. In the discretion of the Board, under standards to be established by the Civil Service Commission, this could be done on an exact score basis as with, for example, the use of valid performance tests; where exact scores are difficult or impossible of determining, crediting could be done on a category basis. For example:

	Points
High quality knowledge and skill factors.....	15
Average quality.....	10
Low quality.....	5
Misrepresentation; applicant fails out of the examination.....	0

The tentative register is thereupon adjusted, based upon the additional points assigned for this phase of the examination. All preference applicants entitled to 10 points who receive any credit in this phase go to the top of the tentative register.

Fifth step: The Board credits personality traits, motivational, and other factors, a maximum allowable of 15 points. Similar to step 4, this may be done by category. For example:

	Points
High quality traits and attitudes.....	15
Average quality.....	10
Low quality.....	5
Applicant fails out of the examination.....	0

For most jobs, these factors are important. For many jobs, they make or break success. For some jobs where personal traits, attitudes, and so forth, are not important, all candidates may be given the maximum allowable points.

Crediting of these factors may be done during an oral examination. If an oral examination is used in step 4, these factors may be credited simultaneously.

The final register is thereupon established. All preference applicants entitled to 10-points who receive any credit in this final phase of the examination go to the top of the final register. The final scores of preference applicants which may exceed 100 points are adjusted to 100, and the names of eligibles entered on the register in order of earned ratings.

Sixth step: The Board issues a certificate of eligibles and selection is made according to the rule of three. In the discretion of the appointing officer, selection may be made of any regular¹ employee who has been referred without regard to rating since he has previously been appointed competitively and has met all minimum standards for this examination.

Seventh step: The Board returns all unselected eligibles immediately to the Employment Service Office for placement elsewhere. The register is thereupon canceled and retained in the files for audit by the Civil Service Commission.

Since applicable legislation requires the relative rating of applicants on a scale of 100, the above-suggested referral, rating, and ranking process arbitrarily divides the scale into three major sections. Each section is intended to provide a means of evaluating different characteristics of the applicant, some of which are not now being evaluated under the existing examination process, as follows:

	Points
Rating of experience and training for qualifying purposes.....	0-70
Providing a quality of evaluation of knowledges, skills and abilities.....	71-85
Providing a quality of evaluation of personality traits, motivational and other factors having direct relationship to job success.....	86-100

This arbitrary division of the scale of 100 is presented as illustrative only of the suggested procedure, and is not intended to be binding on the Civil Service Commission in devising a suitable procedure for use by Government agencies in general conformance with the broad plan envisioned by the subcommittee.

APPENDIX B

UNITED STATES DEPARTMENT OF LABOR BUREAU OF EMPLOYMENT SECURITY WASHINGTON 25, D. C.

PLACEMENT OF PROFESSIONAL PERSONNEL

Since its inception, the Employment Service has recognized its responsibility to provide service to all categories of workers, including professional and scientific personnel, as well as to the employers who are indeed of such workers. Placements in professional and managerial occupations have shown an increase over the years—from 45,800 in fiscal 1941 to 83,673 in fiscal 1952. In the last 12 years, while total nonfarm placements have increased 50 percent, placements in the professional and managerial occupations have increased more than 80 percent.

In order to meet its added responsibilities and to achieve the goals which have been set for the mobilization effort, the Employment Service is utilizing all of its regular and specialized services. The following paragraphs describe the types of services which are now being provided, the results which have been attained, and the steps which have been taken to determine how well the Service is meeting current needs.

I. ORGANIZATION AND FACILITIES

The 1,800 local offices and the more than 2,000 part-time offices are located geographically so as to facilitate their use by workers and employers. Where the size of the operation permits, separate divisions or offices are set up to serve separate occupational groups. At present, separate commercial and professional offices are maintained in 19 cities. A new one will be opened in Miami, Fla., on December 15, and several others may be set up in Florida cities at a later date. It is interesting to note in this connection that the Florida agency considers the large number of retired professional people living in Florida a good source for recruitment. A list of the cities in which separate commercial and professional offices currently exist is included among the exhibits accompanying this document.

Separate divisions to serve this group exist in approximately 45 other offices. These divisions are frequently located on a separate floor. For example, the Milwaukee, Wis., Professional, Technical, and Commercial Division is so located, has its own waiting and registration space adjacent to the unit, and a special room which is available for private interviews. A photograph of this office is included among the exhibits. If workload justifies, the professional office or

¹ See pt. 7 of this report.

division is subdivided into units, each covering an occupational grouping. For example, the New York City professional office has four units: (1) Engineering and scientific; (2) social work, teaching, and psychology; (3) commercial art and writing; and (4) business management. A separate office handles nurses and medical technicians.

While many of the special programs described in the following pages are conducted by the larger offices, the contributions of the smaller offices are also significant. The participation of the smaller offices is strikingly illustrated by the recruitment campaign for the Redstone Arsenal (described more fully later in this report) which netted 575 scientists, engineers, and technicians. The order was placed through a small office which arranged with the State office for recruitment in other cities, both large and small. The results were far better in the smaller cities than in the metropolitan centers. The widespread distribution of office has the advantage of permitting local office staff to obtain information from employers and job seekers by means of personal interview in most cases, rather than by mail.

Machinery for clearance of workers between areas

The 1,800 local Employment Service offices are more than local labor exchanges serving the employment needs of workers and employers in their own communities. They are links in a nationwide system. Through the process of clearance, an employer who has an opening for a particular type of worker and an applicant who is qualified for that particular job, each in a different city, are brought together. This service is especially important for professional workers, since they are a mobile group and move freely from one part of the country to another, or even from one country to another. Significantly, nearly 20 percent of the job opportunities placed in clearance in early October 1952, called for professional personnel. For the comparable period a year ago, slightly more than 15 percent of the job openings on the clearance roster were for professional personnel. A tabulation of the clearance openings for professional occupations on the October 1951 and October 1952 State job inventories is shown in table 4 in section V of this report.

When an order is to be placed in clearance because the needed workers are not available locally, the best clearance method or combination of methods to fit the particular circumstances is selected from the following:

Positive recruitment.—The employment service arranges for the company recruiter to visit potential sources of supply and to interview personally previously screened applicants.

Delegated hiring authority.—The employer delegates to the employment service the responsibility for the actual selection of the worker.

Direct referral provides for previously screened applicants to be referred directly to the employer for interview.

Telephone referral puts the employer in touch with the applicant by long distance telephone.

Mail referral provides for the employer's receipt of an application prior to personal interview.

The use of positive recruitment for workers in professional occupations is illustrated by the recruitment experience of the Boeing Airplane Co. When this company received orders from the United States Air Force for production of the B-47 Stratojet, large numbers of tooling engineers, skilled tool and die men, and layout men were needed to tool up for production. Through the Washington State Employment Service, the Boeing Co. arranged to interview interested applicants in various cities throughout the country. Of the total number interviewed during the recruitment period, 1099 on-the-spot hires resulted. These were spread among 16 different professional and technical fields as well as among more general classifications. Subsequent correspondence with the individuals previously interviewed led to an additional 1,100 hires during the 12-month period. Two out of three of these were professional and technical job acceptances.

Recruitment conducted for the Redstone Arsenal of the Ordnance Corps at Huntsville, Ala., for work on guided missile and rocket research, furnishes another example of assistance by the employment service. With the help of the Huntsville local office, a positive recruitment program was conducted during the period from April 1951 to September 1951. Two recruitment teams followed an itinerary (based on labor market information furnished by the employment service) in Alabama, Georgia, Florida, Louisiana, and Mississippi. Approximately 12 cities in each State were visited, and about 500 scientific and technical workers were placed. In addition, about 75 professional workers were hired through

direct application to the arsenal as an aftermath of the recruitment activities and publicity in their respective communities. It is particularly significant that the recruitment campaign was far more effective in the smaller cities and communities than in the large metropolitan centers. The number and occupational classifications of the professional personnel recruited are as follows:

<i>Group I</i>	<i>Group II</i>	<i>Group III</i>
25 physicists	125 mechanical engineers	125 laboratory technicians, aides, draftsmen, etc.
20 mathematicians	90 electrical engineers	
12 aerodynamicists	70 electronics engineers	
10 ballisticians	65 ordnance engineers	
10 chemists	15 industrial engineers	
	10 chemical engineers	

The employment service has also assisted in staffing important defense projects in foreign countries. Since the United States is assuming broad responsibilities in other parts of the world, the need for civilian manpower to perform a wide variety of activities is constantly increasing. In addition, the construction of new installations overseas must be carried out, with the resultant demand for workers ever on the increase. To meet this need, the employment service has recruited from all parts of the United States more than 1,000 specialists in engineering, research, administrative, industrial, educational, and recreational occupations needed by the Armed Forces and private firms engaged in essential activities overseas. Generally, recruiting for overseas employment falls into the following broad categories:

Specialists: Physicians, translators, accountants, public health officers, nurses, historians, technical writers, attorneys, economists, fingerprint experts, X-ray specialists, property and supply supervisors, pharmacists, optometrists, bacteriologists, geologists, entomologists, and other highly professional personnel used in connection with occupation duties.

Engineers: Metallurgical, chemical, architectural, radio, electronic, safety, construction, civil, maintenance, industrial, aeronautic, and mining. Requirements for these jobs are very high and go beyond minimum performance requisites of the job.

Recreational leaders: All kinds recruited to plan and execute a well-rounded recreational program.

Teachers: Elementary, secondary, college levels for American dependents' schools in farflung outposts of the United States.

A tabulation of placements of professional workers resulting from positive recruitment throughout the country during the period June 20, 1951, through November 18, 1952, is included in section V of this report.

Special statewide placement units

A number of States have established machinery for supplementing existing clearance machinery through professional, executive, and technical units at the State level. These operations will be carefully evaluated to determine whether any further changes should be made in the machinery for clearing orders and applicants between geographic areas. In connection with such a program, the Wisconsin State Employment Service publishes a biweekly, Applicant Directory, which describes briefly the qualifications of professional applicants who are available for employment in any part of the State. This is distributed to 1,500 employers throughout the State through mailing lists established by the local offices. A copy of the directory is included among the exhibits.

II. SPECIALIZED PROGRAMS FOR SPECIFIC OCCUPATIONAL OR OTHER GROUPS

Specialized placement programs have been developed, generally in cooperation with professional organizations, to meet the specific needs of various groups. The following paragraphs describe some of these programs.

A. Engineers and scientists

For more than a year, the Bureau has recognized that the shortage of engineering manpower is one of the critical problems to be met in the defense program and has emphasized the need for alleviating this shortage so that defense production will not be impeded. In cooperation with other Government agencies and interested private organizations, a national program was developed to achieve full utilization of the engineering manpower of the Nation and to expand

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the supply of engineers. Defense Manpower Policy No. 8, which was issued recently, emphasizes the need for this type of program and recommends that its coverage be extended to meet manpower requirements in the entire scientific field. Accordingly, an employment service program letter issued November 14, 1952, recommends that the State agencies take specific action to implement Policy No. 8.

For example:

1. Expand informational and placement service to scientists and engineers and to employers of such personnel.
2. Determine the actual extent of local shortages of scientists and engineers and the steps being taken by employers to alleviate the effects of such shortages. Where the shortages are impeding defense production, they should be called to the attention of the area labor-management committee.
3. Assist employers who are experiencing difficulty in recruiting scientific and engineering personnel to improve their utilization of technical personnel currently employed.

The following summarizes some of the steps which had been taken previously with respect to engineers. On May 25, 1951, at a meeting held in Washington, D. C., in cooperation with other Government agencies and interested private organizations, a national program was planned. On October 22, 1951, a second meeting of representatives of the same agencies and organizations was held in Washington to review reports of progress which had been made in the period between the two meetings.

The State employment security agencies have had an important role in bringing the national engineering program's objectives and recommendations to the attention of employers of engineers and related personnel, and in assisting employers to solve their engineering manpower problems through the facilities and services of employment service local offices. In region XII, the respective State administrators, the regional director, and the regional labor-management committee for defense manpower cooperated to develop a comprehensive program for meeting engineering manpower requirements. Copies of this program were distributed to all regional offices, and States agencies to encourage the development of similar programs throughout the country.

A significant example of the type of activity which has been undertaken in connection with the engineering program is the survey of training in connection with engineering and subprofessional training requirements of the major defense contractors in the Dallas-Fort Worth area. Representatives of the Defense Manpower Administration, the national office of the Bureau of Employment Security and its Dallas regional office, the Federal Security Agency, the Texas State Employment Service, and the Armed Forces regional council participated in the survey. Professor Shumaker of Southern Methodist University acted as special consultant for the Office of Education.

The conclusion was reached that special training programs must be instituted to alleviate present and impending shortages of professional and subprofessional personnel.

In the industries surveyed, employing about 50,000 persons, about 1,850 of these workers were in need of training in engineering or related skills.

The categories of engineering which were examined were: Civil, electrical, mechanical, aero, and a broad category termed "others." This included safety and industrial engineers and planner A.

The following data revealed by the survey are significant:

1. Number of engineers employed.....	2, 268
2. Number of additional engineers that will be needed during the following 6 months.....	1, 029
3. Number of employed engineers needing additional training.....	1, 516
4. Average hours of training needed.....	285
5. Number of subprofessionals during following 6 months.....	341
6. Average hours of training for subprofessionals.....	540

The following actions had also been taken by other participating agencies and organizations:

1. The Civil Service Commission had issued instructions to all Federal agencies concerning the development of a program for maximum utilization of engineering personnel within the Federal Government.
2. State, county, and municipal governments cooperated with State employment services in a program outlined to the governors of all States to explore the possibilities of utilizing their engineering personnel on a full-time or part-time loan basis to essential defense activities.

3. The Selective Service System suggested to its local boards that every effort be made to grant deferment to engineers engaged in essential activities.

4. The educational organizations encouraged students with aptitudes for engineering to enroll in appropriate courses to increase the overall percentage of students in this field.

In the light of these reports, it was the consensus of the members of the conference that the operation of the program should continue along the lines already established and that particular emphasis should be given to the most effective utilization of the technical skills which are available; to the development of reliable information concerning realistic requirements for engineers; and to the development of practical training programs which will provide workers in the subprofessional categories, as well as full-fledged engineers.

B. Social workers

Members of the delegate conference of the American Association of Social Workers in 1946 adopted a resolution which provided that the association actively promote the extension of the social worker placement services in the United States Employment Service and that the Social Work Vocational Bureau be urged to assist in the development of such a service. A committee was established by the Social Work Vocational Bureau to work with the employment service to assure that the service provided social workers would meet their needs adequately. Material was sent to the field office of the employment service which described some of the steps which should be taken at the local level to provide satisfactory service. Active programs of cooperation with social work professional associations and employers are in effect in a number of areas. In some cases, as for example, New York, San Francisco, and Boston, advisory committees have been established to provide consultation and support in the development of the service.

Placement figures for 1951 for the social workers' placement unit of the New York State Employment Service reveal that 15 percent of the placements in the case-work field were on the supervisory and administrative level; 78 percent of the applicants placed had 2 full years of graduate training; and 14 percent had some graduate training.

C. New York City placement programs for nurses and related occupations and for psychologists

The New York State Employment Service Nurse and Medical Placement Center was set up in 1945 at the request of leaders in that field. A professional nurse as staff consultant, specially trained interviewing and supervisory staff, and an advisory committee, composed of professional and lay members from the nursing and health fields, have contributed to the success of the operation. In the first 10 months of 1952, the nurse placement center filled 15,712 professional nursing positions, several hundred of which were in industrial nursing, public health, and education fields. In addition, there were 2,648 positions filled for physical therapists, medical and X-ray technicians, and practical nurses.

History repeated itself when, in 1951, the New York State Psychologists' Association requested the Employment Service to set up a unit specializing in placement activities for workers in the field of psychology. As a result an advisory committee was established to aid and abet the placement service which the office is extending to applicants in this profession.

A roster of trained psychologists with masters' and doctors' degrees is available for referral to positions as clinicians, school psychologists, vocational psychologists, industrial psychologist, rehabilitation counselors, experimental psychologists, and teachers of psychology.

D. Specialized programs developed by the Denver, Colo., local office

The Denver local office established a professional placement unit within the office in 1948. Some of the specialized programs which have been developed are as follows:

In June of 1949, an agreement was reached with the Colorado Pharmacal Association, by which the Colorado State Employment Service took over all of the placement functions formerly performed by the executive secretary of the State board of pharmacy. This agreement is still in effect and has been very satisfactory to both the pharmacal association and the Employment Service. This unit is located in the Denver local office. A copy of the cooperative agreement between the Colorado Pharmacal Association and the Department is included among the exhibits.

In May 1952, the same type of agreement was reached with the Colorado Society of Engineers, at which time an Employment Service interviewer was placed in the same office with the Colorado Society of Engineers. The society turned over all of their placement functions to the interviewer, and all engineering openings have been directed to that office. This arrangement has also been very satisfactory.

Preliminary negotiations are now under way toward effecting the same type of agreement with the Colorado Society of Certified Public Accountants. This should be in effect by January 1, 1953.

No formal agreement has been signed, but an understanding has been reached with the Colorado Hospital Association for the placement of pharmacists, medical technicians, X-ray technicians and nurses. This informal arrangement has worked very well to the extent that a large number of the openings are received from the hospitals.

E. Teachers

Some of the States feel that there are advantages in providing service to teachers through a specialized organizational unit located in the State office which can maintain close relationships with State teachers' associations and the State Department of Public Instruction. Such statewide units now exist in eight States. For the fiscal year 1952, the Wisconsin agency reported 1,060 placements made by its State teacher placement unit; North Dakota, 1,645; and Montana, 367. A number of other States which operate State professional, executive, and technical units described previously, include in these units teacher placement activities. Local offices usually participate in this type of program by accepting applications and employer orders which are then referred to the State office for further action. These statewide programs are supplied in addition to service provided by local offices; for example the Boston local office has an active program for placement of teachers in surrounding area.

F. Recent college graduates

College placement, as an organized program of the United States Employment Service, affiliated State employment services, and the veterans' employment service was developed in cooperation with the committee on relationship of higher education to the Federal Government (of the American Council of Education) early in 1948. The program called for close cooperation between college and university administrators and the public Employment Service in developing job opportunities for graduates. Chief impetus was given to the program by the 1½ million veterans of World War II then enrolled in colleges and universities under the provisions of the GI bill. A statement on the college placement program prepared by the committee on relationship of higher education to the Federal Government was sent to colleges and universities by the American Council of Education. College and university administrators were urged to cooperate fully with the public employment services and to make use of their placement facilities to the fullest extent.

In line with the program as originally established, cooperative agreements are in effect with many colleges and universities throughout the United States. The nature of the agreement depends on (a) the extent of placement activity which the college provides; (b) the number of colleges in the area and the curriculum (engineers, teachers, liberal arts, etc.); (c) the number of graduates, grouped by sex and course or field of study; (d) the employment opportunities for graduates, and the nature of the current labor market; (e) other pertinent data, such as current recruitment arrangements established by employers with educational institutions.

The following are examples of activities in this field:

1. The Connecticut State Employment Service has developed a cooperative program with the University of Connecticut whereby representatives of the employment service register students on the campus. Placement is made through the usual employment-service channels. Information on the placement of these registrants is transmitted to the college placement office. Throughout the year, the employment service provides information on professional and technical job openings to the university for screening against the placement officer's files of available undergraduates or alumni. Arrangements are sometimes made by the employment service to include the university placement office in schedules for positive recruitment by employer representatives.

2. The Alabama State Employment Service has agreements with colleges in the State as follows: It provides all the placement service for Alabama Polytechnic Institute; all of the placement service for the College of Arts and Sciences

at the University of Alabama and supplementary service to students of specialized schools of the university; and placement service to Birmingham—Southern College, Howard College, and Alabama College for Women. Usually recruitment is conducted only in those colleges where service is maintained, but other schools are circularized for qualified applicants for specific orders. From the beginning of the program through April 1951, 1,841 placements had resulted from these cooperative arrangements; 316 placements were made in the first 6 months of 1952.

3. The Ohio agency reports that during the 21-month period from January 1, 1951, through September 30, 1952, over 3,500 placements of graduates from 400 different colleges were made in professional jobs. Special training on college placement has been provided to 51 of the 67 local offices in the State. Special tools have been developed to assist local offices. These include: (1) Aids to school and college placement, each covering a field such as engineering, home economics, teaching and drafting; and (2) from college to job, a guide to local office staff for interviewing and placing recent college graduates.

4. The Minnesota Employment Service reports that arrangements have been made with every college and university in the State for registering and placing graduates. A college placement inventory, listing the graduates who are available for employment by their college majors, is distributed quarterly to approximately 2,000 major employers throughout the State.

5. The Nashville, Tenn., commercial and professional office reports excellent working arrangements with Vanderbilt University, Lipscomb College, Trevecca College, Belmont College, and Madison College. For example, through its co-operation with Vanderbilt, efforts are now being made to recruit on a clearance order from the Raytheon Corp. for physicists from among those graduating next spring.

G. Releases from the Armed Forces

A program has been developed for providing services at military installations to veterans who are currently being released from active duty and for utilizing releasees as a source of personnel for filling jobs in defense-supporting and other essential activities. Among the purposes to be served are: (1) encouraging veterans being discharged to use the facilities and services available at local employment service offices; and (2) acquainting discharges with the short-range and long-range opportunities in the various fields of employment, including the critical need for individuals qualified for scientific and technical pursuits. Information leaflets, calling attention to the demand for workers in scientific, engineering, and other professional and technical fields, will be made available for distribution at military separation points.

H. Government placements

The Department of Labor and the Civil Service Commission have signed an agreement which provides that the public Employment Service will serve as the primary source of recruitment for any Government operation which has been authorized by the Civil Service Commission to employ workers when civil-service registers do not provide the required number of workers. Local offices also work with Government agencies to place released workers when reductions in force occur. For example, a staff member of the Commercial and Professional Office of the District of Columbia attends all weekly meetings of the inter-Departmental personnel committee. This contact with the personnel officers of Government agencies gives the District of Columbia office an opportunity to gather information on the supply and demand of special types of workers and facilities assistance in the recruitment of professional and technical personnel. It also provides the staff with first-hand information regarding reduction-in-force programs in which the District of Columbia office may be of material assistance in supplying information on job opportunities in Washington and other areas of the country. For example, National Production Authority is presently conducting exit interviews for from 700 to 900 workers in grades 9 and above. Local occupational demand information is provided for the use of those workers desiring to remain in Washington. Necessary application-for-work forms are provided for the use of the office in effecting placements. Displaced workers who desire to return to their home communities, are provided with forms which are executed by the applicants and transmitted by the Employment Service office to the State employment service offices serving the areas in which the displaced workers will seek employment, so that they may be assured of prompt and efficient service.

III. EXAMPLES OF DEVELOPMENTAL WORK OF THE NATIONAL OFFICE

Technical tools are developed by the national office to assist local office interviewers to do a quality job. For example, a job analysis study was made in cooperation with the American Hospital Association. It included preparation of 183 job descriptions of hospital occupations, in addition to organization charts and descriptions of the various hospital departments. As a result of this cooperative effort, the American Hospital Association has agreed to recommend increased use of employment-service facilities to its member institutions.

The Bureau's Testing Branch has been engaged in the establishment of aptitude test norms which are of value in counseling persons with respect to vocational preparation for various professional fields. Aptitude test norms have recently been developed for draftsman, chemist assistant, dentist, nurse, veterinarian and accountant, and work is in progress on the establishment of aptitude test norms for the engineering and medical fields.

The work of Bureau staff on the Interagency Advisory Committee on Critical Occupations is another example of developmental work which includes the professional occupations. The list of critical occupations is used by the Department of Defense for taking action on requests for delay in recall to active duty of reservists and National Guard members; and it is also used by local boards of the Selective Service System in considering requests for occupational deferment of draft registrants. The Assistant Director of the Bureau of Employment Security is chairman of the committee, a staff member of the Bureau serves as Executive Secretary, and other Bureau staff serve as chairman and as members of the technical subcommittee which gathers and evaluates the information needed for making recommendations for revisions and amendments to the list and for developing the job definitions. Employers and professional organizations are invited to participate in the discussions and to verify the information.

IV. STEPS FOR IMPROVING SERVICE TO PROFESSIONAL OCCUPATIONS

A number of steps have been taken recently to focus attention on the importance of the service to professional occupational groups and to insure that Employment Service facilities, organizations, techniques, and tools are geared to meet their needs.

Service to these groups had developed along somewhat different lines throughout the country. Some of the offices had struck out on relatively unblazed trails, frequently in cooperation with community groups. The adaptations and applications of basic procedures which various local offices had found to be most effective in meeting the needs of this group were therefore assembled and made available to field offices through a training unit titled "Placement of Professional Personnel," a copy of which is included among the exhibits.

Use is also made of the Employment Security Review, a Bureau house organ, as a means for the continuing exchange of information on professional placement. For example, an article by the Assistant Director of the Bureau in charge of Employment Service describes the role of the Employment Service in the professional field and suggests how the local offices should evaluate their operations. Other articles, written by local office staff closely in touch with activities in this field, cover such topics as desirable facilities, developing relationships with professional organizations, teacher placement, and placement of recent college graduates.

Action is now underway to evaluate the effectiveness of the service resulting from implementation of these recommendations and to develop any further refinements or additions revealed as needed. For this purpose, plans have been made whereby 5, and possibly 7 local Employment Service offices will be designated as demonstration offices and will be given the necessary assistance and resources to accomplish the following objectives:

1. To strengthen service to job seekers and employers in the area they serve; to develop the facilities, organization structure, tools, techniques, and necessary relationships such as with professional organizations and colleges, to accomplish this; and to determine the cost of such service.
2. To participate with representatives of the regional and national offices in developing and maintaining cooperative relationships with professional organizations whose national headquarters are located in the area served by the demonstration office.
3. To serve as demonstration and training centers for staff responsible for professional placement in other local offices.

4. To determine whether, after strengthening operations on the local level, unmet needs still exist which require changes in the program for clearance of workers between areas; to participate in the development of any changes revealed as needed.

A work committee composed of representatives of the participating local and State office and national office staff has completed its recommendations for organizing, operating, and evaluating this program. Another meeting is scheduled to be held after the field staff have made the necessary exploration to develop their program goals and plans of action to meet these goals. Later meetings are also planned to consider the results achieved by the demonstration offices. Recommendations will then be made available to improve operations in all local offices throughout the country.

V. PLACEMENT REPORTS

Within the regular reporting program of the Employment Service, no provision is made for a detailed itemization of placements by specific occupation. Placement activity in the 1,800 local offices across the Nation is reported by broad occupational groups, by sex, age, and industry. One of the broad occupational groups is "professional and managerial." While it is not possible to present national placement information in the desired detail, more refined data have been obtained from a representative group of local offices and are included in this report.

One of the most important considerations in evaluating the service rendered to professional and managerial persons by the local offices of the Employment Service system is the propensity of persons in this broad occupational group to seek employment through Employment Service offices. In a special survey undertaken in April 1950 in 90 major areas throughout the country, 4.4 percent of the more than 2 million job applicants were classified in professional and managerial categories. Significantly, preliminary results of the decennial population census taken in the same month and year indicated that 5 percent of the Nation's 2.8 million jobseekers were "professional, managerial, and kindred workers."

The comparable magnitude of these proportions—4.4 percent of the job applicants and 5 percent of all the unemployed in the Nation—spotlights the fact that workers in this broad occupational category tend to seek jobs through the Employment Service in practically the same proportion as they occur in the total population.

Rise in professional-managerial placements outstrips overall gain

Comparison of experience for the fiscal years 1941 and 1952 points up shifts in the occupational distribution of placements and the increasing importance of professional-managerial placements in the overall picture. While total nonfarm placements climbed 50 percent, placements in the professional-managerial occupations jumped more than 80 percent.

Occupational group	Nonfarm placements		
	1952	1941	Percent change, 1941-52
Total.....	6,452,594	4,329,994	+49.2
Professional and managerial.....	83,673	45,804	+82.8
Clerical and sales.....	746,015	542,150	+37.6
Service.....	1,795,897	1,458,168	+23.2
Skilled.....	386,283	470,461	-17.9
Semiskilled.....	823,352	506,956	+62.4
Unskilled and other.....	2,617,374	1,306,455	+100.0

Monthly average of placements in professional-managerial occupations highest since World War II

Although a slight dip (1 percent) occurred in the placement of professional-managerial personnel in the fiscal year 1952, average monthly placements thus far in fiscal 1953 are the highest since 1945. Actually, recent experience betters the monthly placement average for 10 out of the 12 past years—1944 and 1945, years of all-out mobilization, are the exceptions.

Fiscal year ending—	Nonfarm profes- sional-managerial placements		Fiscal year ending—	Nonfarm profes- sional-managerial placements	
	Number	Monthly average		Number	Monthly average
1941.....	45,804	3,817	1950.....	54,168	4,514
1942.....	54,311	4,526	1951.....	84,537	7,045
1943.....	80,977	6,748	1952.....	83,673	6,973
1944.....	112,137	9,345	1952—		
1945.....	148,452	12,371	July.....	7,515	7,377
1946.....	84,422	7,035	August.....	7,342	
1947.....	60,173	5,014	September.....	7,275	
1948.....	58,681	4,890	October.....	7,025	
1949.....	56,719	4,727			

VITAL SERVICE INDUSTRIES (RESEARCH, EDUCATIONAL, MEDICAL, ENGINEERING)
ABSORB 50 PERCENT OF ALL PROFESSIONAL-MANAGERIAL PLACEMENTS

Fully half of all professional-managerial persons placed by the USES during fiscal year 1952 went to work in the service industries—in important research facilities, educational institutions, hospitals and engineering firms.

Approximately 20 percent were placed in manufacturing—principally in defense-important machinery plants, in chemical firms, in ordnance, in metal plants, in motor vehicle factories. Regular Government establishments absorbed another 10 percent of the professional-managerial persons placed by State employment service agencies.

Industry	1952 professional-managerial placements	
	Number	Percent dis- tribution
Total.....	83,673	100.0
Forestry and fishing.....	193	.2
Mining.....	659	.8
Contract construction.....	2,187	2.6
Manufacturing.....	17,861	21.3
Ordnance and accessories.....	1,039	1.2
Food and kindred products.....	889	1.1
Chemicals and allied products.....	1,372	1.6
Primary metal industry.....	1,003	1.2
Fabricated metal products.....	1,068	1.3
Machinery (except electrical).....	2,209	2.6
Electrical machinery.....	1,999	2.4
Transportation equipment.....	4,817	5.8
Other manufacture.....	3,465	4.1
Interstate railroads.....	83	.1
Other public utilities.....	1,514	1.6
Wholesale and retail trade.....	6,325	7.6
Finance, insurance, and real estate.....	1,095	1.3
Service (except private household).....	43,271	51.7
Service, private household.....	229	.3
Regular Government establishments.....	10,084	12.1
Special Government projects.....	20	(*)
Establishments, not elsewhere classified.....	151	.2

* Includes personal and business services, medical and legal services, educational and research facilities.

* Less than 0.05 percent.

Increased share of clearance demand is for professional-managerial help

The past year has witnessed a significant rise in the proportion of job openings for professional-managerial personnel listed in interarea clearance. In early October 1952 nearly 20 percent of all jobs on the hard-to-fill roster were in professional-managerial occupations. The reduction in clearance demand for engineers was attributable principally to a drop of 400 in job opportunities for civil engineers. Outbalancing this loss were sharp rises in clearance listings for such professionals as chemists, social workers, mathematicians, nurses, and draftsmen. Reflecting the widespread use of the Employment Service clearance pro-

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cedures, 42 States listed hard-to-fill jobs for the 1,495 electrical engineers listed on the early October roster. For draftsmen, 44 States shared in the listing of 2,719 hard-to-fill jobs, while 39 States reported 933 jobs for nurses.

Occupation	Nonfarm job openings in clearance			
	Number listed		Percent of total	
	Oct. 3, 1951	Oct. 1, 1952	Oct. 3, 1951	Oct. 1, 1952
Total, all skills	60,704	56,543	100.0	100.0
Professional and managerial	9,995	10,693	16.5	18.9
Engineers	4,677	4,223	7.7	7.4
Chemists	47	421	.1	.7
Teachers	319	176	.5	.3
Draftsmen	2,498	2,719	4.1	4.8
Laboratory technicians	141	139	.2	.2
Natural scientists	172	273	.3	.5
Social and welfare workers	63	231	.1	.4
Trained nurses	606	933	1.0	1.6
Other	1,472	1,578	2.4	2.8
Clerical and sales	5,142	4,317	8.5	7.6
Service	1,739	1,340	2.8	2.3
Skilled	22,682	20,428	37.4	36.2
Semiskilled	13,353	13,348	22.0	23.7
Unskilled	7,793	6,417	12.8	11.3

Positive recruitment—Effective clearance procedure

More than one-third of all placements through the Employment Service clearance procedure is made by positive recruitment. During the period June 1951 through November 1952, more than 3,000 professional workers were placed through positive recruitment—representing 4.3 percent of all placements through positive recruitment. The list below reveals some of the specific occupations in which these placements were made.

Professional workers placed through positive recruitment, June 20, 1951 through Nov. 18, 1952

Occupational title	Number
Engineers	1,076
Grade school teachers	460
Draftsmen	456
Accountants	141
Laboratory technician, X-ray	72
Tool designer	68
Production planner	34
Social and welfare workers	32
Radio operators	32
Interpreter	31
Mathematician	29
Writers and editors	28
Radio operator	25
Tool planner	25
Physicist	23
Purchasing agent	23
Superintendent, construction	22
Chemist	20
Construction inspector	16
Interpreter	12
Total, all other	383
Total	3,008

Important role played by specialized offices

In recognition of the large and persistent demand for professional workers in major industrial centers in the Nation, State employment service agencies have established 19 local offices specializing in placement of clerical and professional

FEDERAL RECRUITMENT AND EMPLOYMENT PRACTICES

personnel. During October 1952, these 19 clerical and professional offices placed 1,470 persons in professional and managerial occupations—representing 20 percent of all placements in this broad occupational group. In addition, a New York office specializing in service to nurses, medical technicians and related occupations, placed 1,650 other persons in jobs during October.

State	Professional and managerial placements made by—		
	All offices	Clerical and professional offices	
		Number	Percent of total
Total.....	7,025	1,470	20.9
California.....	603	1 150	24.9
District of Columbia.....	90	90	100.0
Georgia.....	53	14	26.4
Illinois.....	241	140	58.1
Maryland.....	55	40	72.8
Massachusetts.....	239	91	38.0
Michigan.....	235	98	41.7
Mississippi.....	37	7	18.9
New York.....	2,474	1 550	22.2
Ohio.....	170	17	10.0
Oklahoma.....	57	28	49.1
Pennsylvania.....	149	14	9.4
Rhode Island.....	14	12	86.0
Tennessee.....	44	6	13.5
Texas.....	439	1 157	35.8
Washington.....	92	56	60.9
Other States.....	2,033	0	0

¹ California, 3 clerical and professional offices; Texas, 2 clerical and professional offices; New York, excludes special medical services office.

Engineers high on list of professional placements

Reports from 6 local Employment Service offices on placement activity in purely professional fields indicate that at least one-third of placements in these categories in the past 6 months were in engineering occupations. Chemists, nurses, accountants, and teachers also ranked high in the placement of professionals. The first table below reviews the experience of these 6 offices for the past 6 months. Table II is only a selective list of professional placements made in New York's specialized office during the past 6 months. New York is shown separately because information from that office was reported on a slightly different basis.

TABLE I.—Professional workers placed, June–November 1952

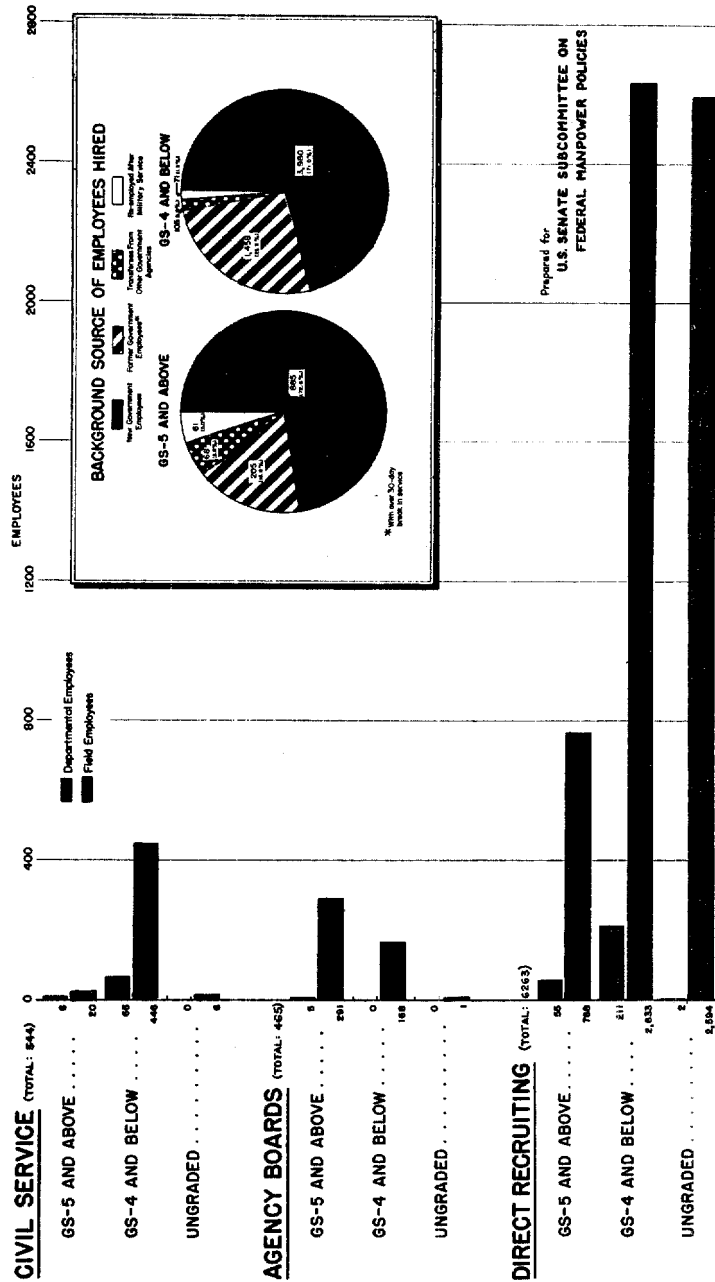
Occupation	Boston	Chicago	Dallas	Los Angeles	San Francisco	Washington, D. C.
Accountants and auditors.....	19	41	27	72	93	9
Architects.....	1	1	1	1	1	2
Reporters, editors.....	5	10	6	15	18	9
Chemists.....	6	17	5	7	19	1
College professors, instructors.....	1	1	1	1	1	1
Engineers.....	65	78	82	100	58	47
Lawyers.....	1	1	1	1	2	3
Librarians.....	1	1	1	4	4	1
Pharmacists.....	1	1	1	1	1	1
Social workers.....	38	43	1	66	5	6
Teachers.....	40	36	3	13	2	3
Trained nurses.....	2	3	8	1	5	5
Natural scientists.....	1	6	1	9	2	2
Social scientists.....	1	1	1	2	6	4
Others.....	5	20	1 102	17	3	1 91
Total.....	182	261	237	308	216	183

¹ Dallas included undistributed placement of entry professional workers. Washington, D. C., included placements not distributed for security reasons.

TABLE II.—*Professional placements by New York's office, June-November 1952*

<i>Occupational field</i>	<i>Number</i>
Nursing.....	9, 257
Teaching.....	1, 593
Social work.....	257
Engineering.....	403
Accounting.....	168
Writing, reporting.....	98
Basic sciences (chemistry, etc.).....	71
Economists, statisticians.....	67
Psychologists, sociologists.....	39
Day camp leaders, instructors.....	115

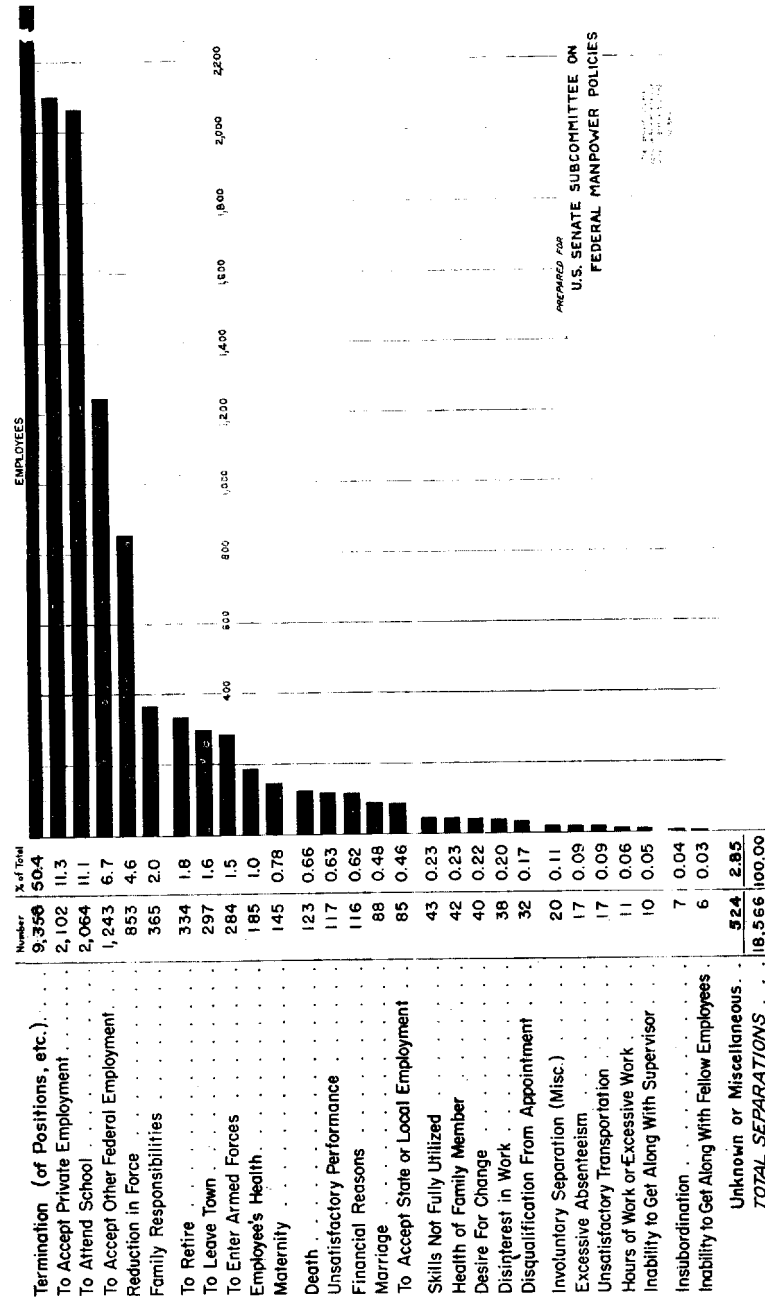
SOURCES OF AGENCY HIRING U. S. DEPARTMENT OF AGRICULTURE JULY 31, 1951-JANUARY 31, 1952



WHY FEDERAL EMPLOYEES LEAVE

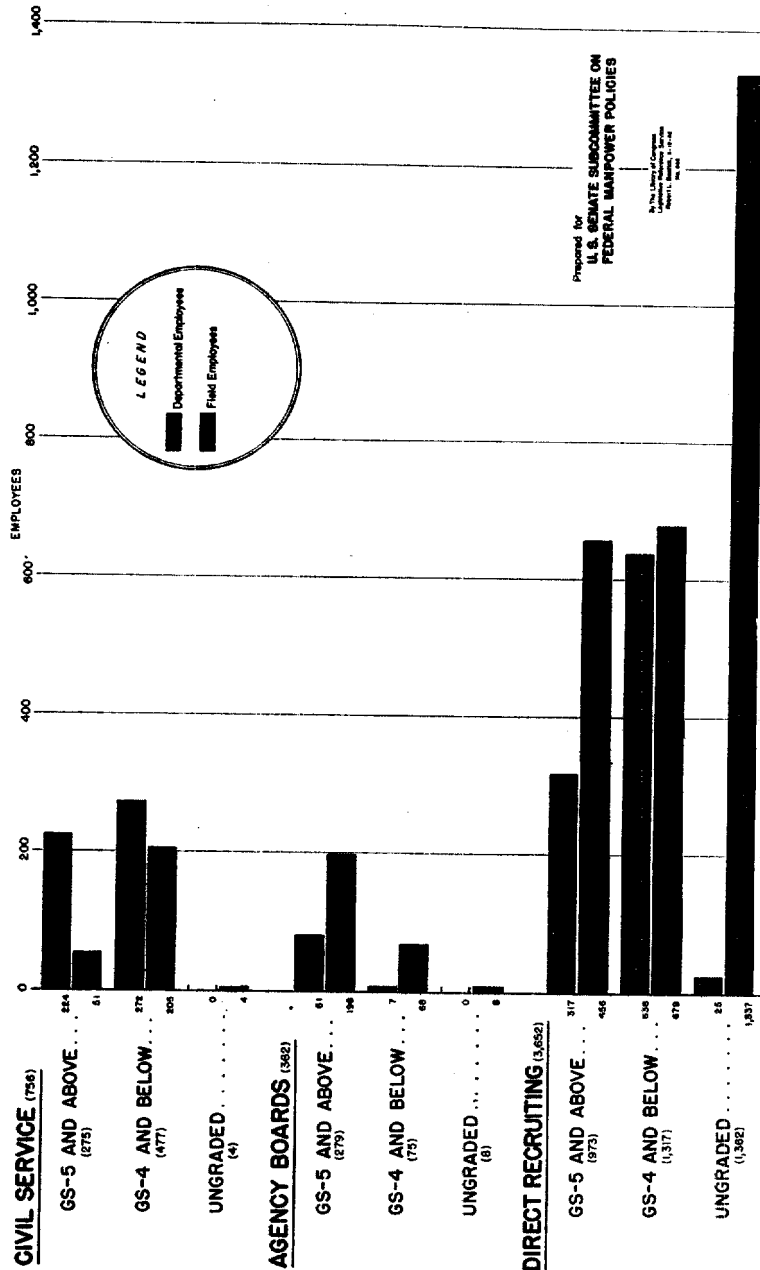
U. S. DEPARTMENT OF AGRICULTURE

JULY 31, 1951-JANUARY 31, 1952



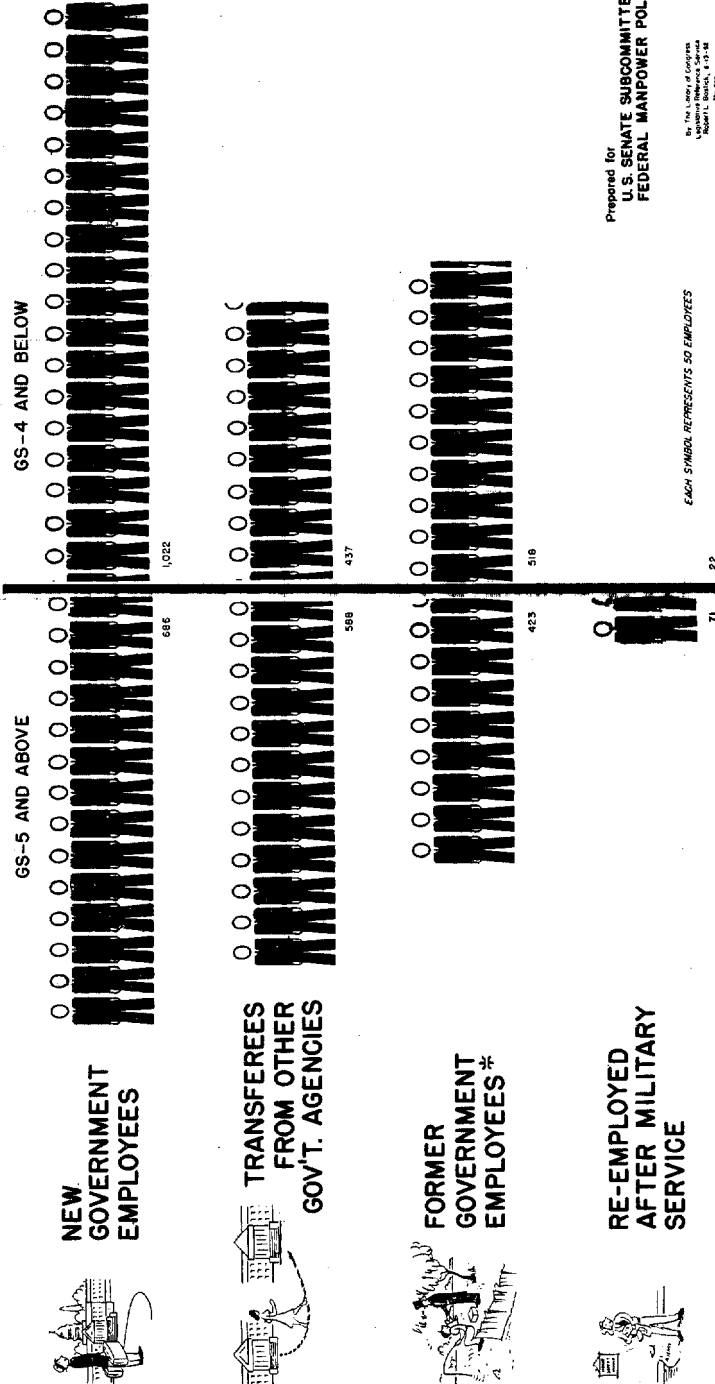
SOURCES OF AGENCY HIRING

U. S. DEPARTMENT OF COMMERCE
AUGUST 1, 1961 - JANUARY 31, 1962



BACKGROUND SOURCE OF EMPLOYEES HIRED

U. S. DEPARTMENT OF COMMERCE
AUGUST 1, 1951 - JANUARY 31, 1952



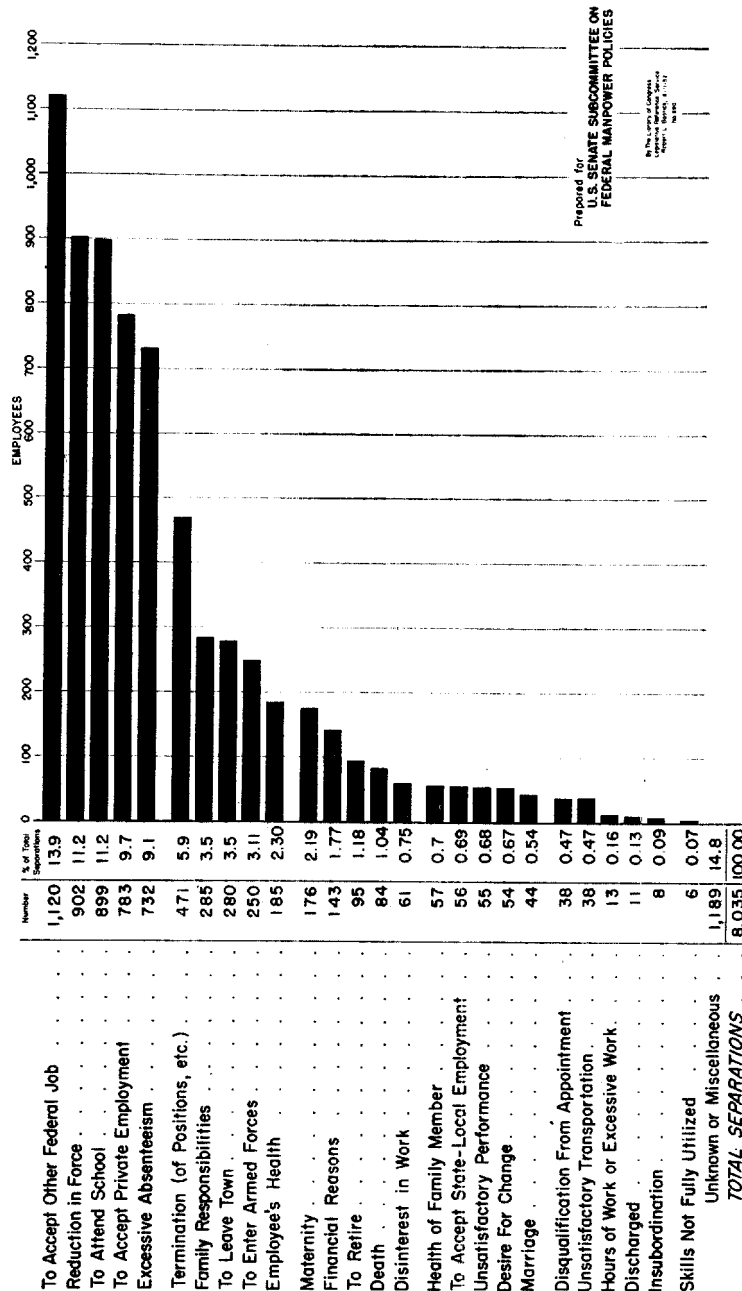
Prepared for
U. S. SENATE SUBCOMMITTEE ON
FEDERAL MANPOWER POLICIES

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August 1952, 1-13-52
No. 87

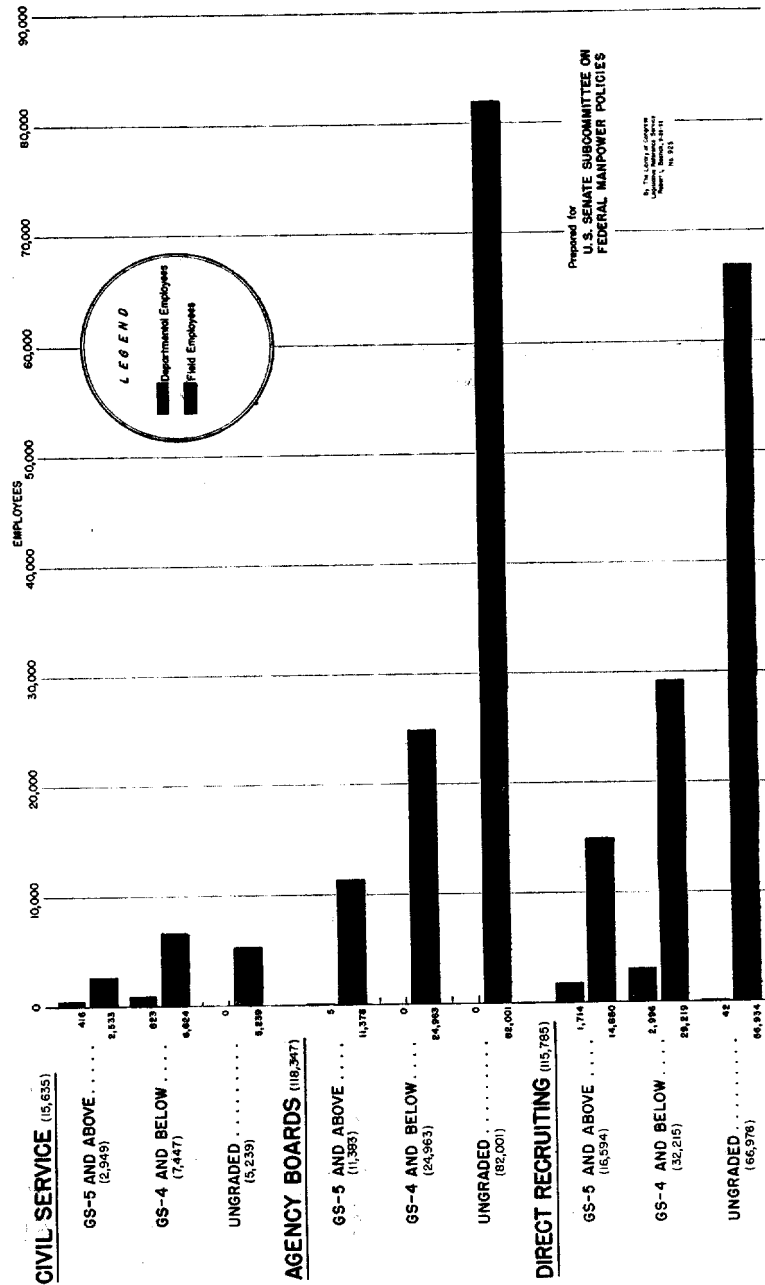
WHY FEDERAL EMPLOYEES LEAVE

U. S. DEPARTMENT OF COMMERCE

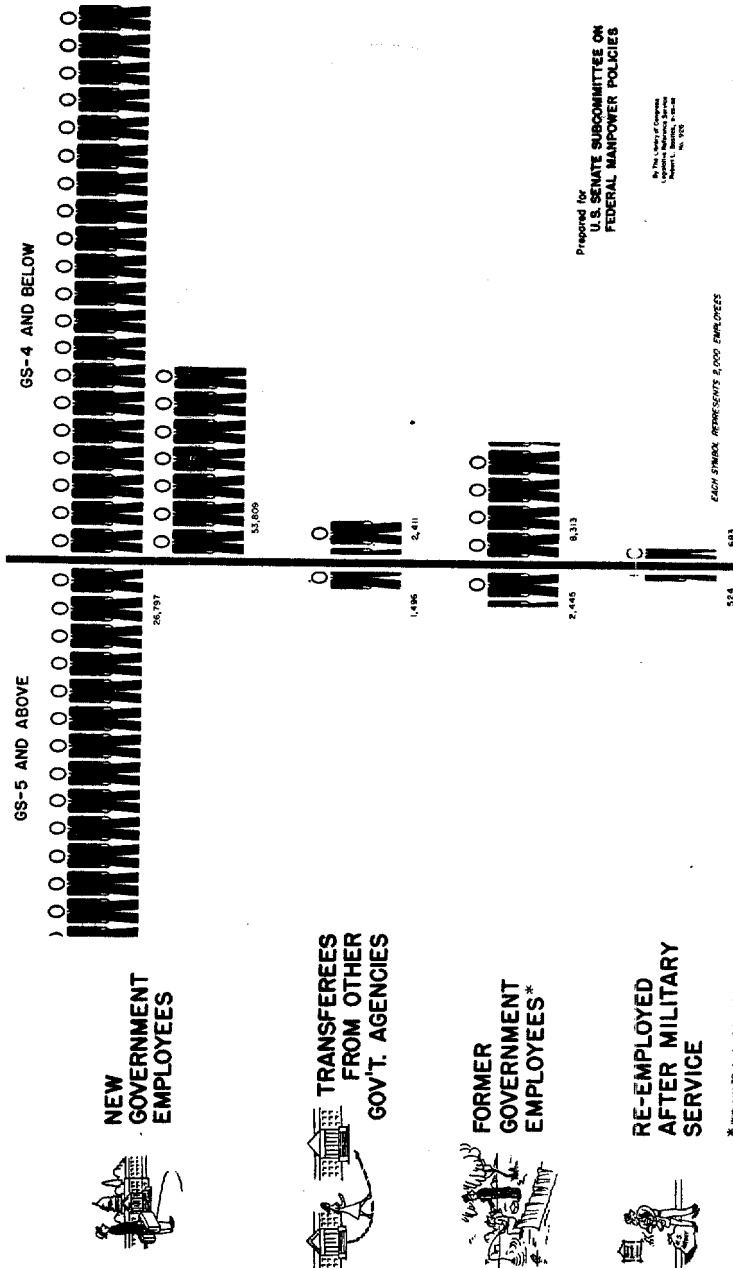
AUGUST 1, 1961-JANUARY 31, 1962



SOURCES OF AGENCY HIRING
DEPARTMENT OF DEFENSE (Departments of the Army, Navy and Air Force, and Office of the Secretary of Defense)
AUGUST 1, 1951-JANUARY 31, 1952



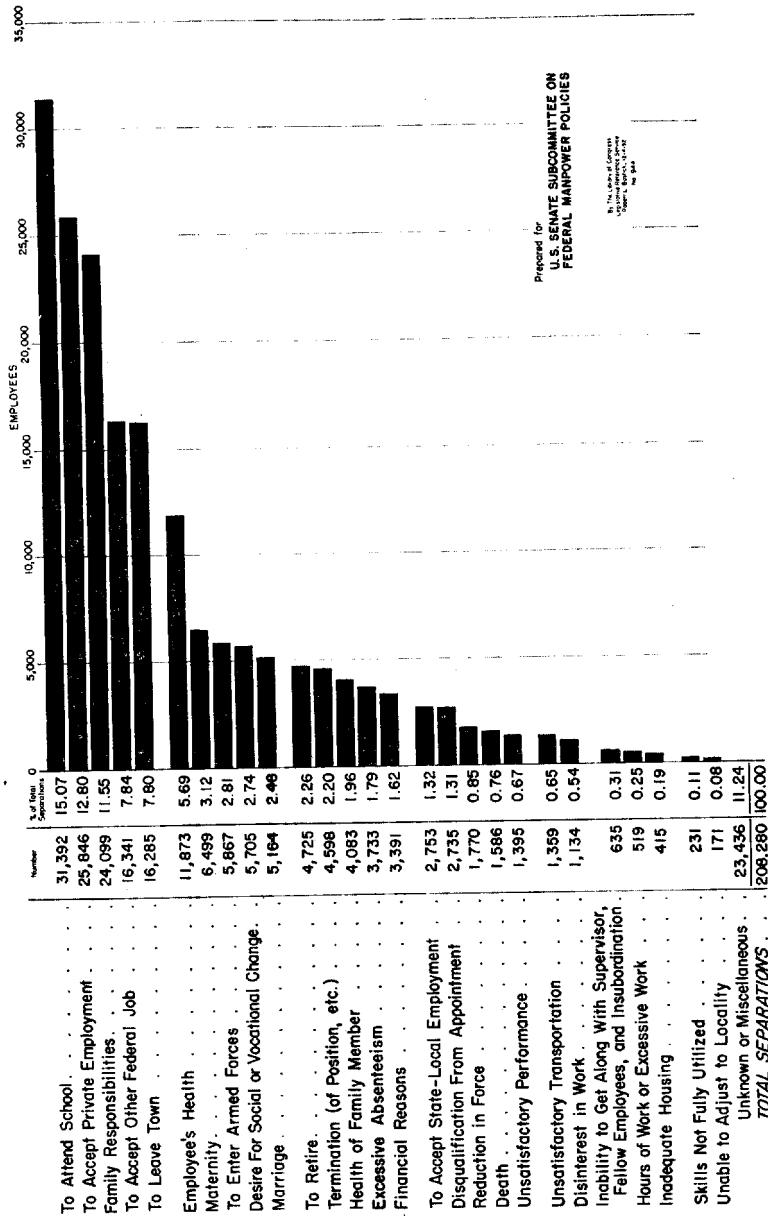
BACKGROUND SOURCE OF EMPLOYEES HIRED
 DEPARTMENT OF DEFENSE (Departments of the Army, Navy and Air Force, and Office of the Secretary of Defense)
 AUGUST 1, 1951—JANUARY 31, 1952



WHY FEDERAL EMPLOYEES LEAVE

DEPARTMENT OF DEFENSE (Departments of the Army, Navy and Air Force, and Office of the Secretary of Defense)

AUGUST 1, 1951-JANUARY 31, 1952

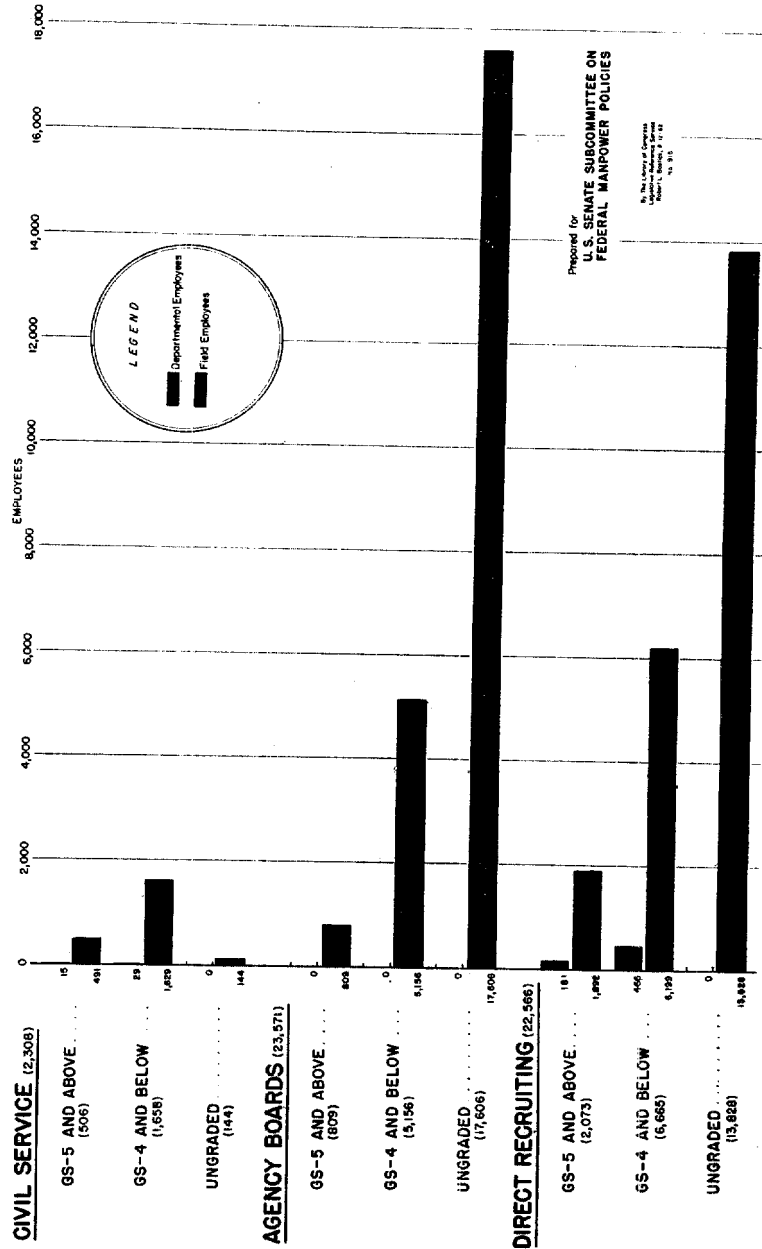


Prepared for
U.S. SENATE SUBCOMMITTEE ON
FEDERAL MANPOWER POLICIES

By The Staff of Congress
The Senate Subcommittee on
Federal Manpower Policies
June 1952

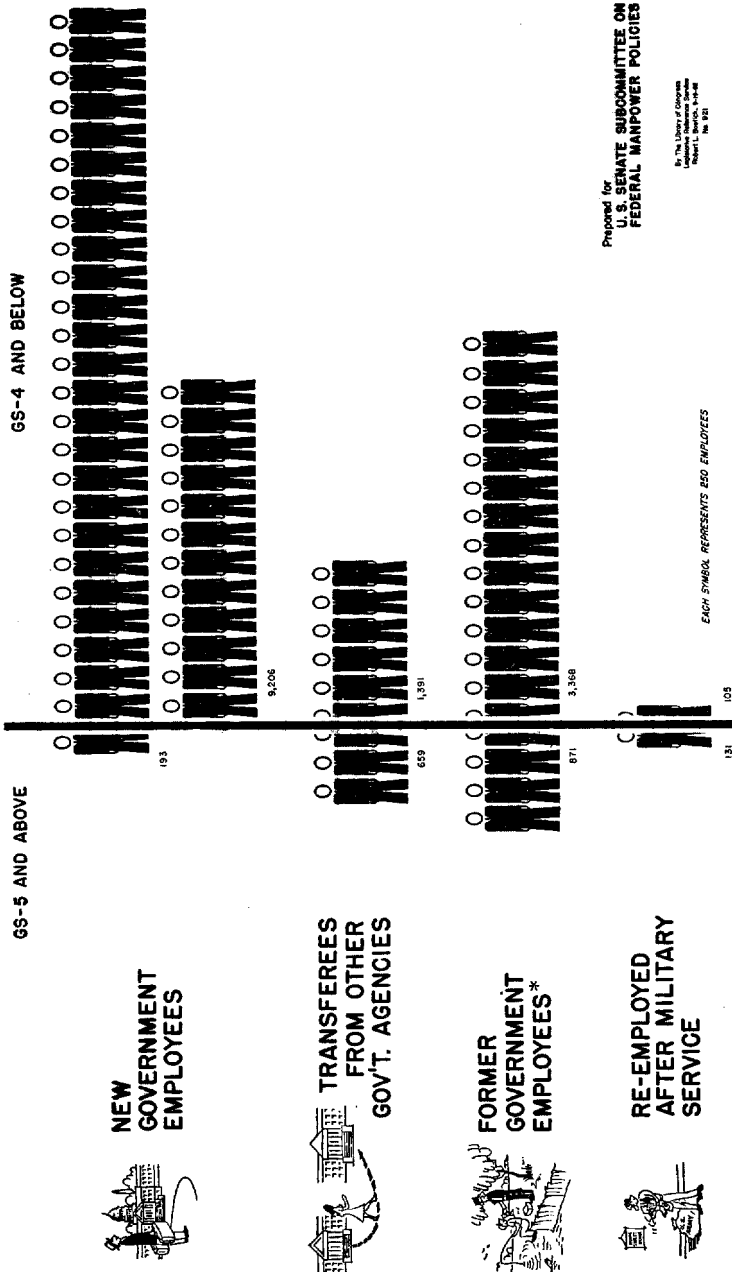
SOURCES OF AGENCY HIRING

DEPARTMENT OF THE AIR FORCE
AUGUST 1, 1951-JANUARY 31, 1952



BACKGROUND SOURCE OF EMPLOYEES HIRED

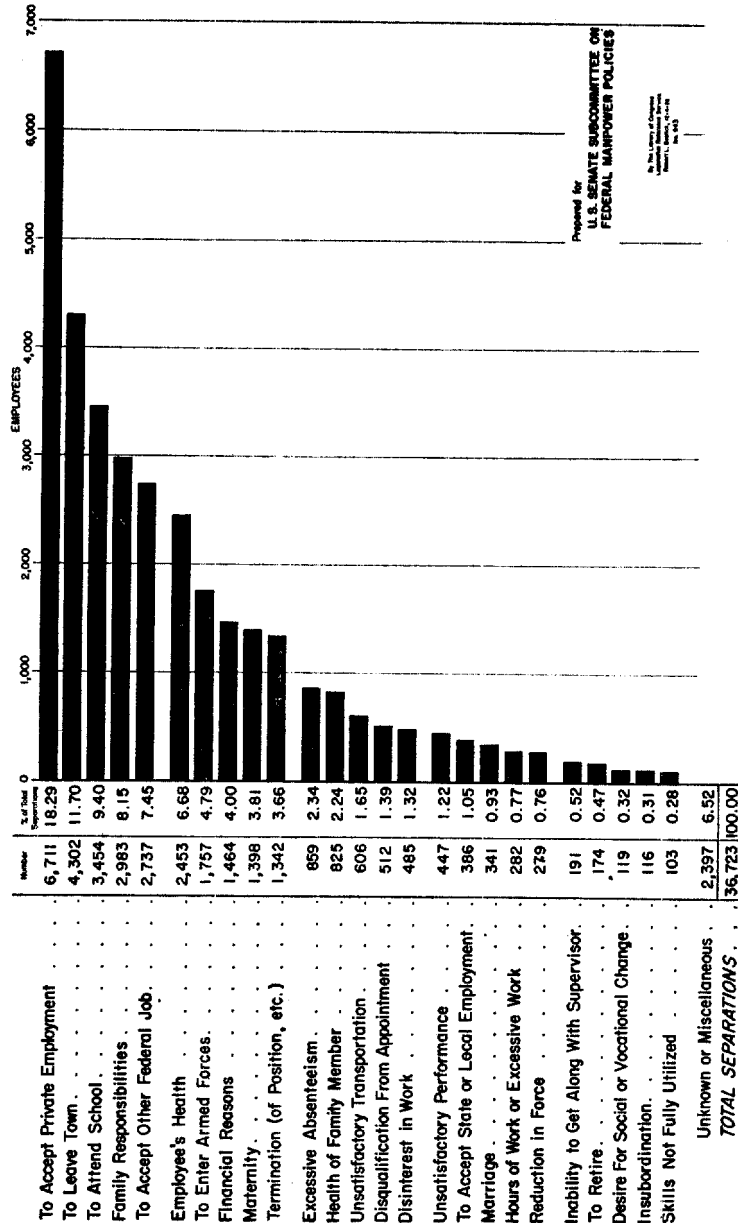
DEPARTMENT OF THE AIR FORCE
AUGUST 1, 1951 - JANUARY 31, 1952



Prepared for
U. S. SENATE SUBCOMMITTEE ON
FEDERAL MANPOWER POLICIES

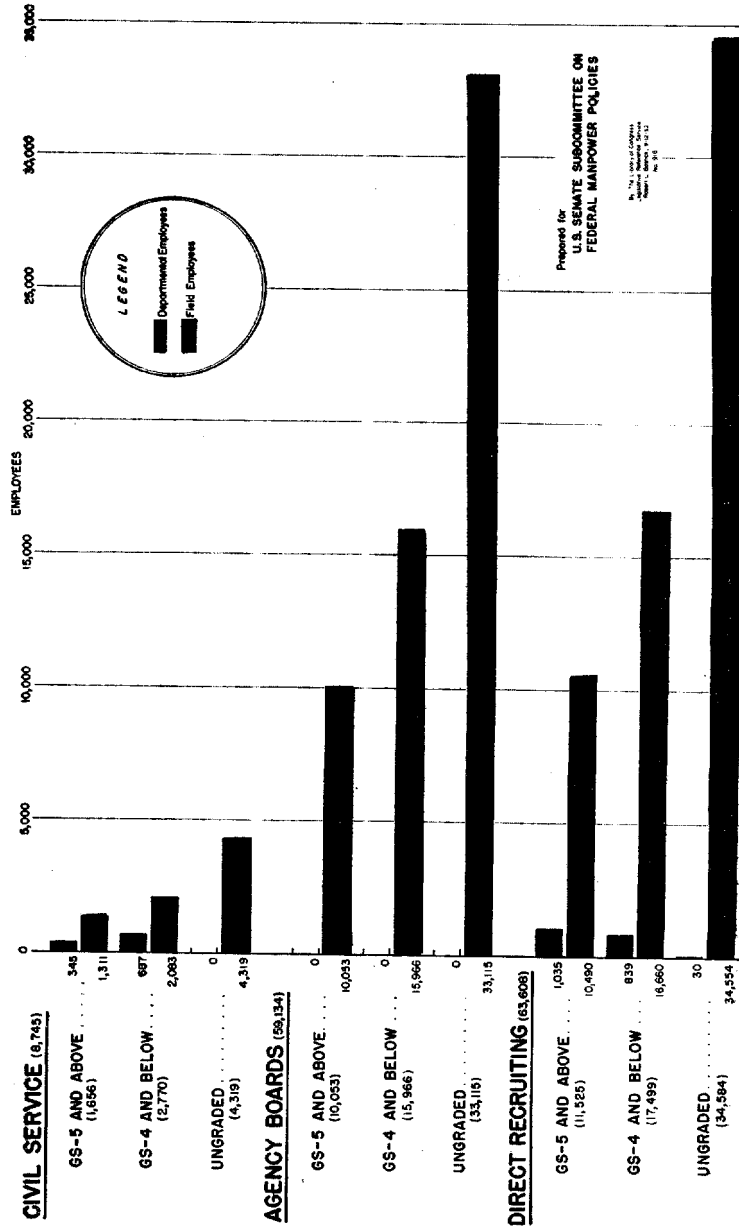
by the U. S. Office of
Personnel Management
Robert L. Smith, Director
June 1952

WHY FEDERAL EMPLOYEES LEAVE DEPARTMENT OF THE AIR FORCE AUGUST 1, 1981 - JANUARY 31, 1982



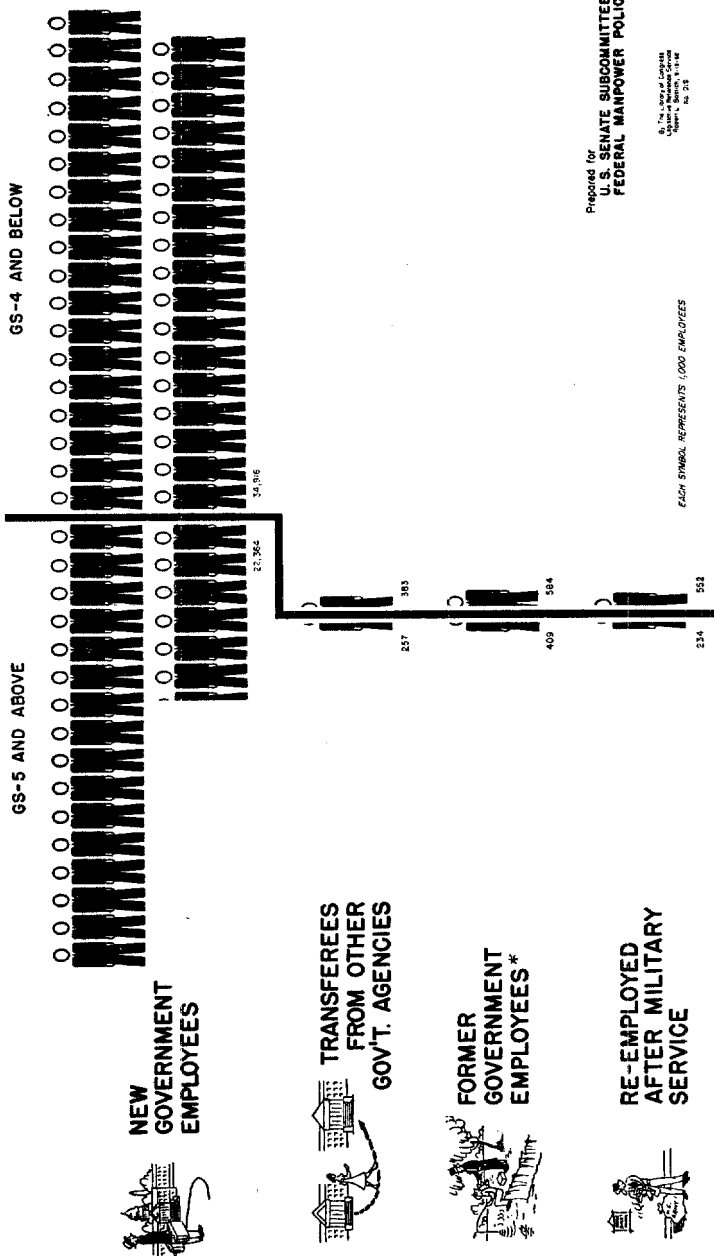
SOURCES OF AGENCY HIRING

DEPARTMENT OF THE ARMY
AUGUST 1, 1961 - JANUARY 31, 1962



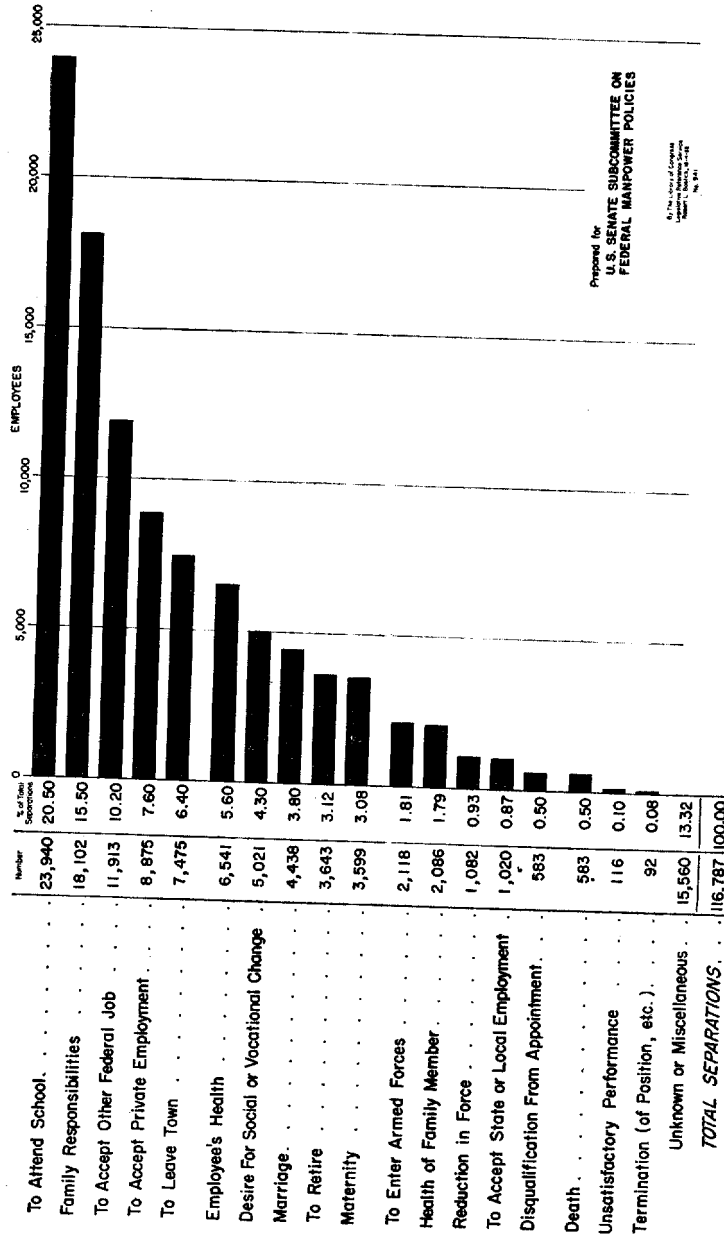
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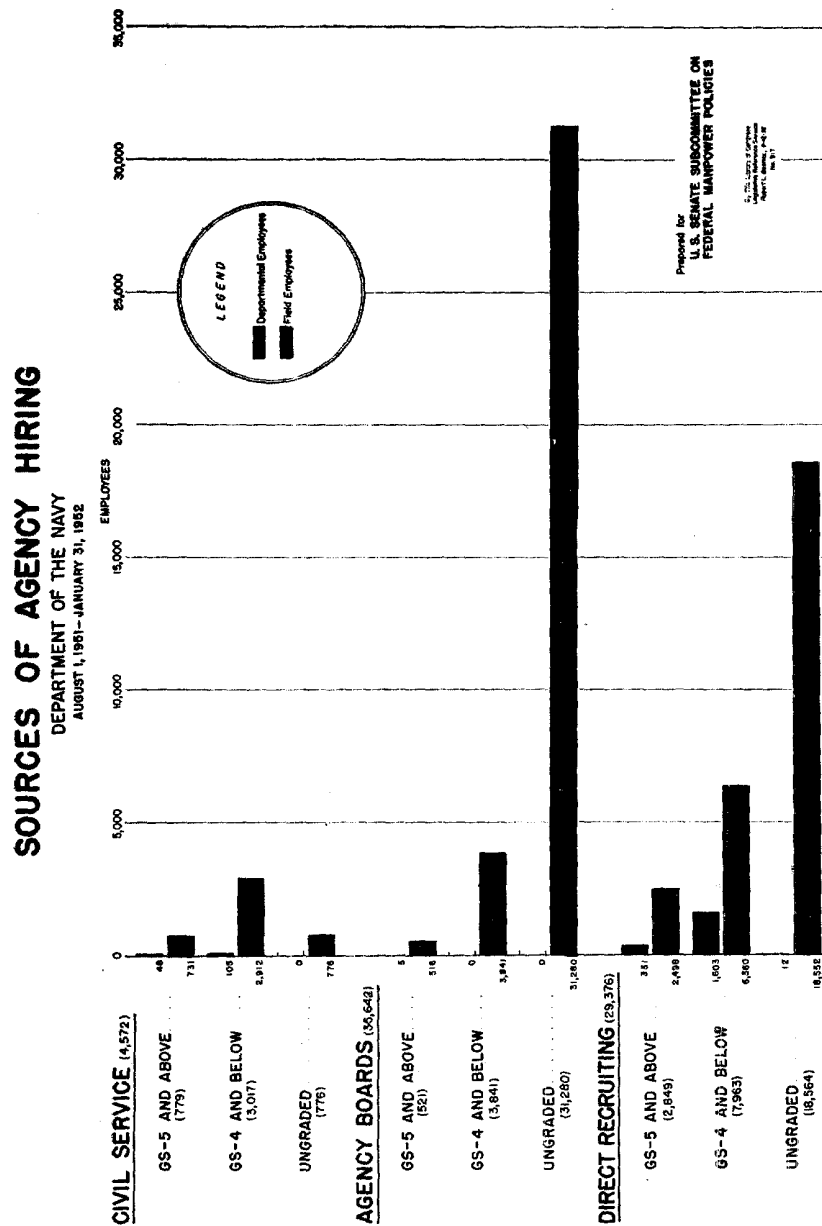
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AUGUST 1, 1951-JANUARY 31, 1952



WHY FEDERAL EMPLOYEES LEAVE

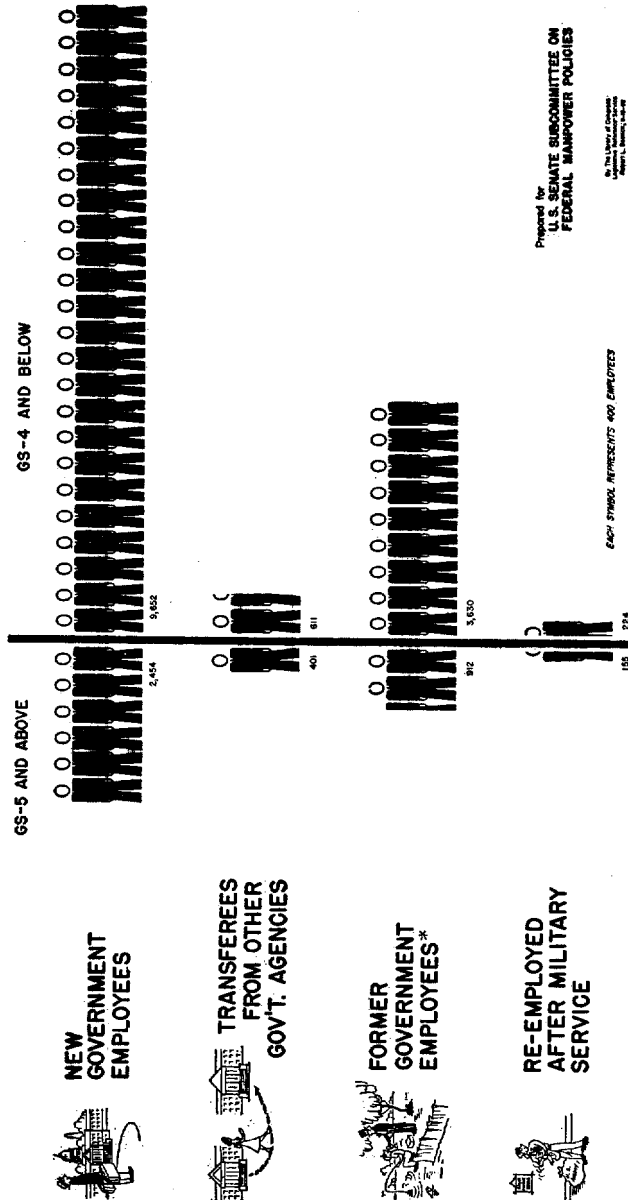
DEPARTMENT OF THE ARMY
 AUGUST 1, 1961-JANUARY 31, 1962





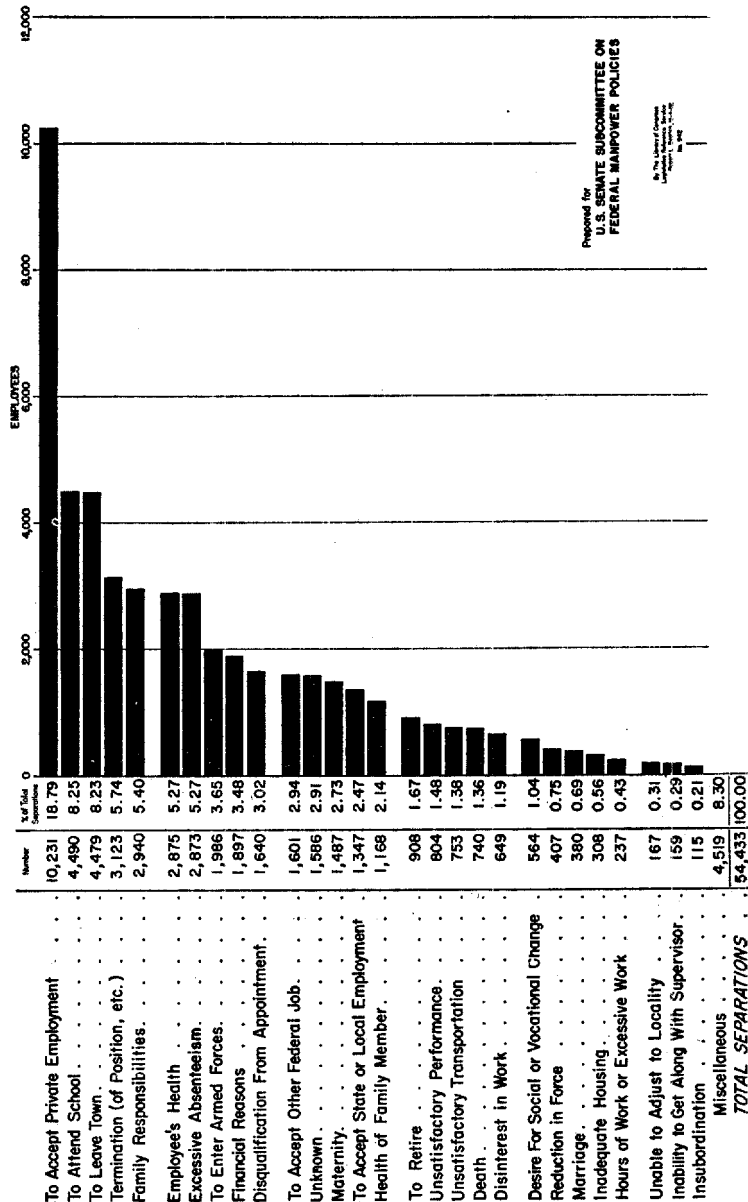
BACKGROUND SOURCE OF EMPLOYEES HIRED

DEPARTMENT OF THE NAVY
AUGUST 1, 1951 - JANUARY 31, 1952



WHY FEDERAL EMPLOYEES LEAVE

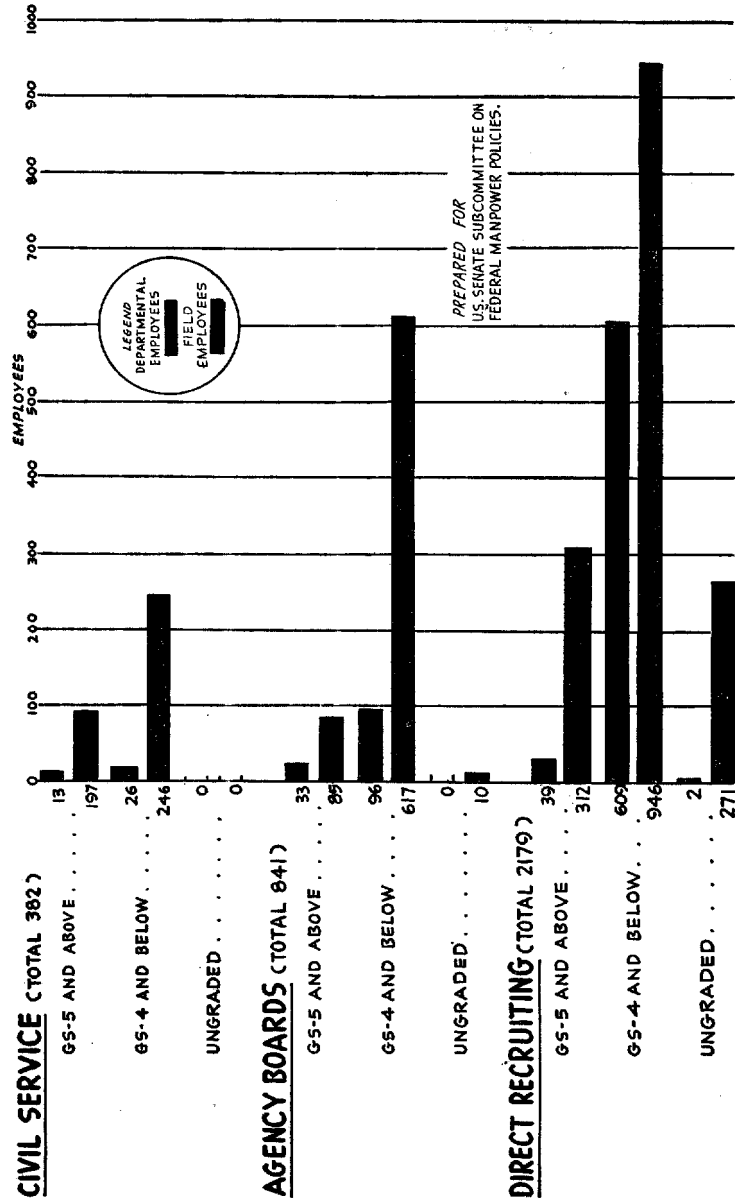
DEPARTMENT OF THE NAVY
AUGUST 1, 1981 - JANUARY 31, 1982



Prepared for
U.S. SENATE SUBCOMMITTEE ON
FEDERAL MANPOWER POLICIES

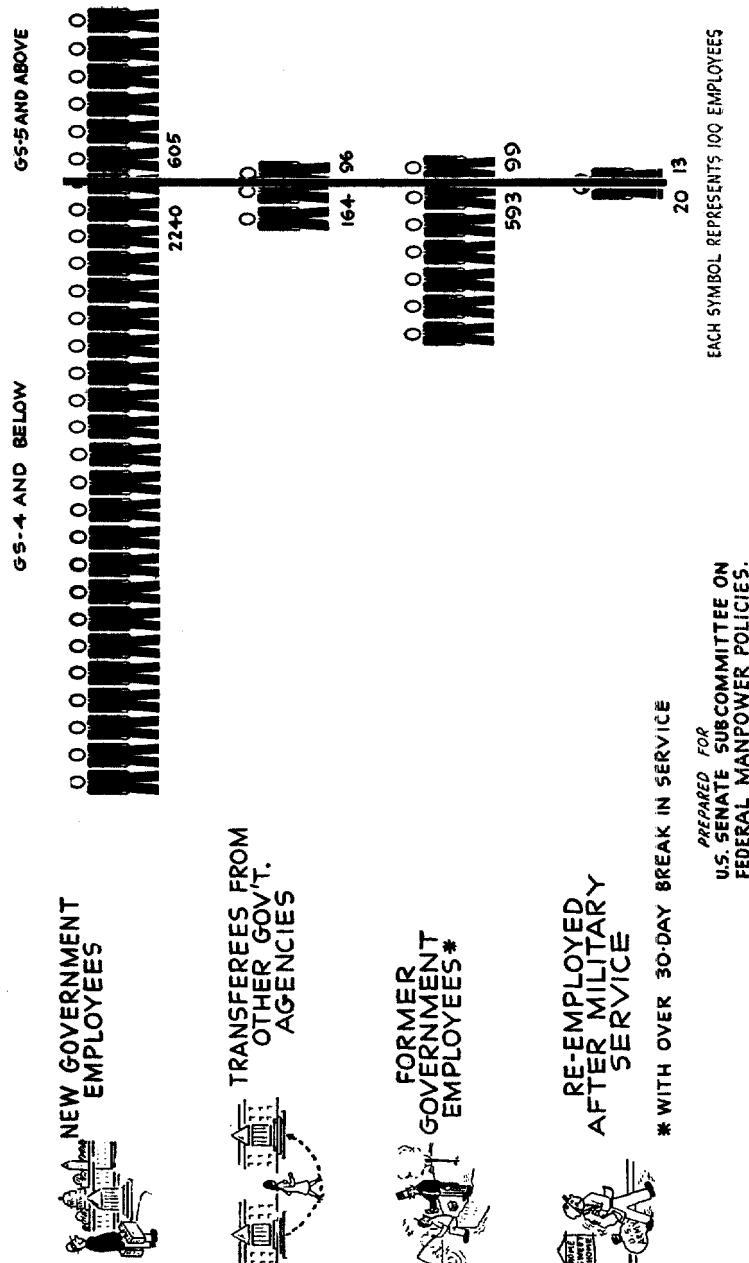
By The General Counsel
Department of the Navy
August 1982

SOURCE OF AGENCY HIRING .
FEDERAL SECURITY AGENCY .
JULY 31, 1951-JANUARY 31, 1952



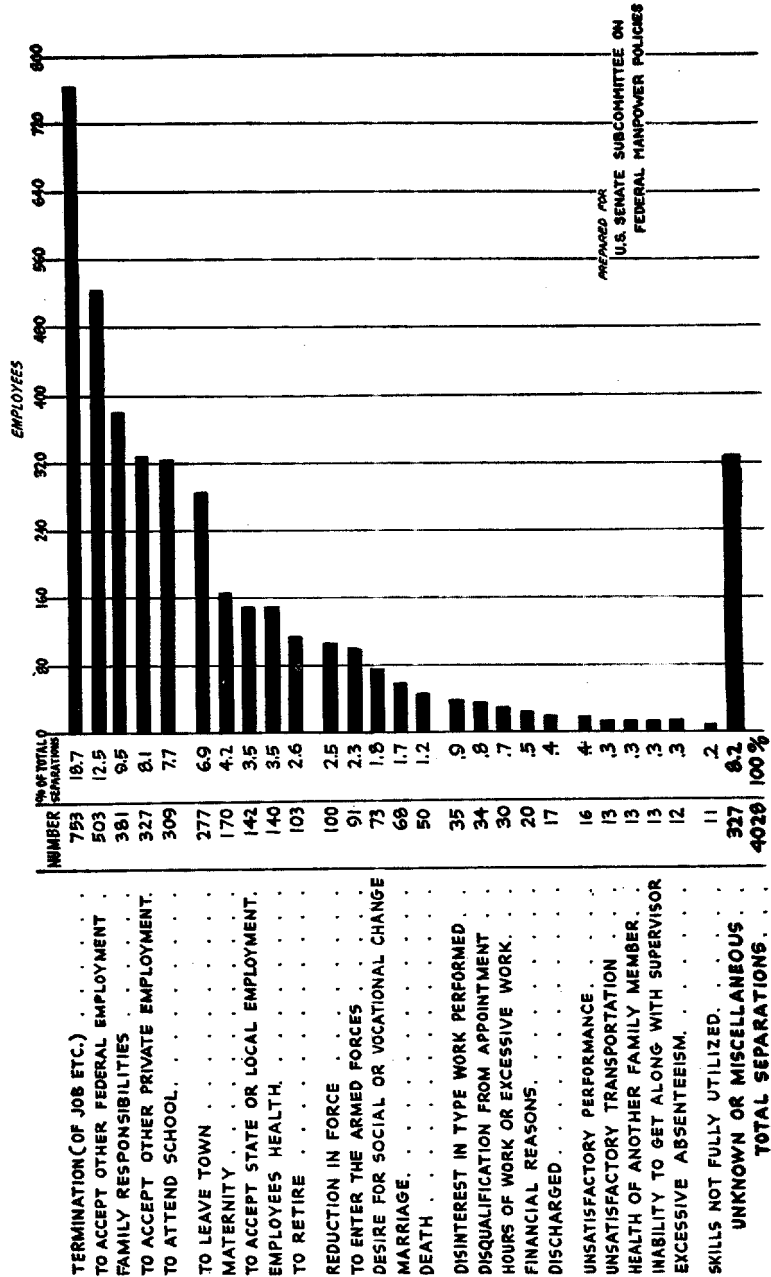
BACKGROUND SOURCE OF EMPLOYEES HIRED.

FEDERAL SECURITY AGENCY
JULY 31, 1951 - JANUARY 31, 1952

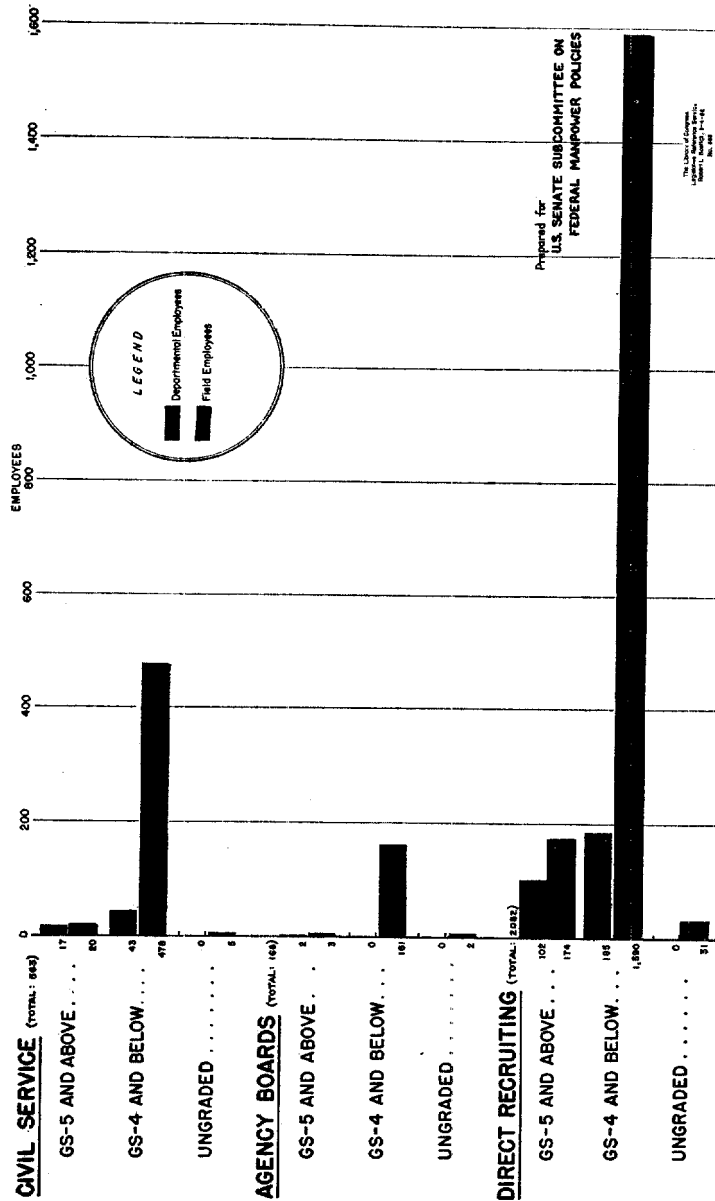


WHY FEDERAL EMPLOYEES LEAVE

FEDERAL SECURITY AGENCY.
JULY 31, 1951 - JANUARY 31, 1952

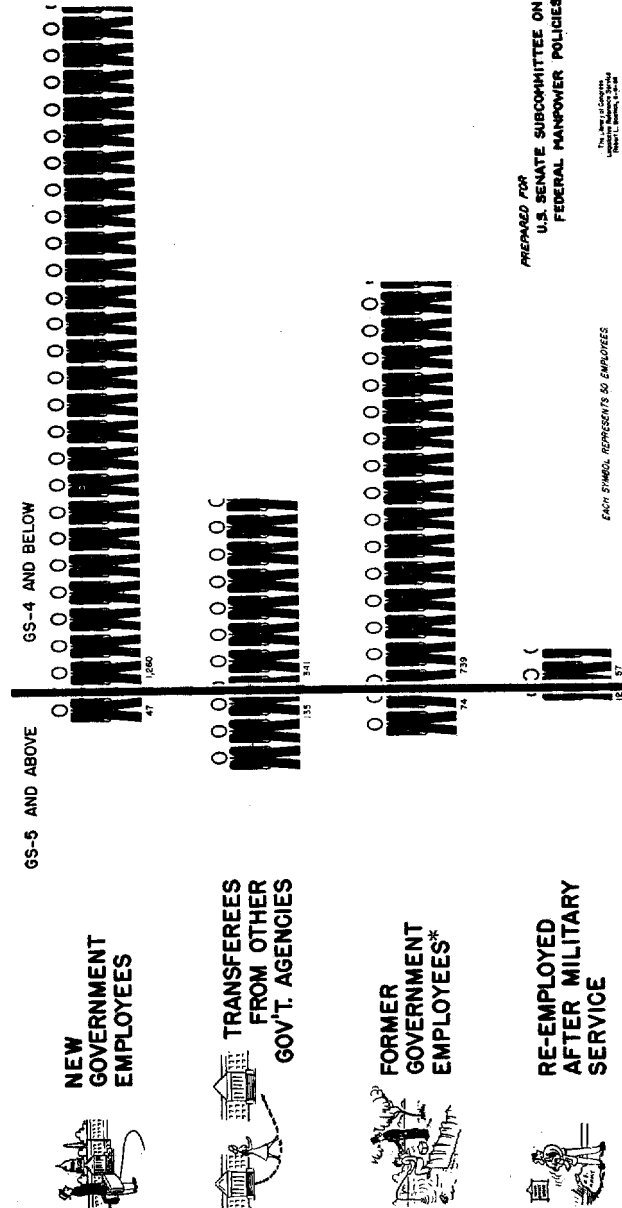


SOURCES OF AGENCY HIRING GENERAL SERVICES ADMINISTRATION AUGUST 1, 1981-JANUARY 31, 1982



BACKGROUND SOURCE OF EMPLOYEES HIRED

GENERAL SERVICES ADMINISTRATION
AUGUST 1, 1961 - JANUARY 31, 1962



PREPARED FOR
U.S. SENATE SUBCOMMITTEE ON
FEDERAL MANPOWER POLICIES

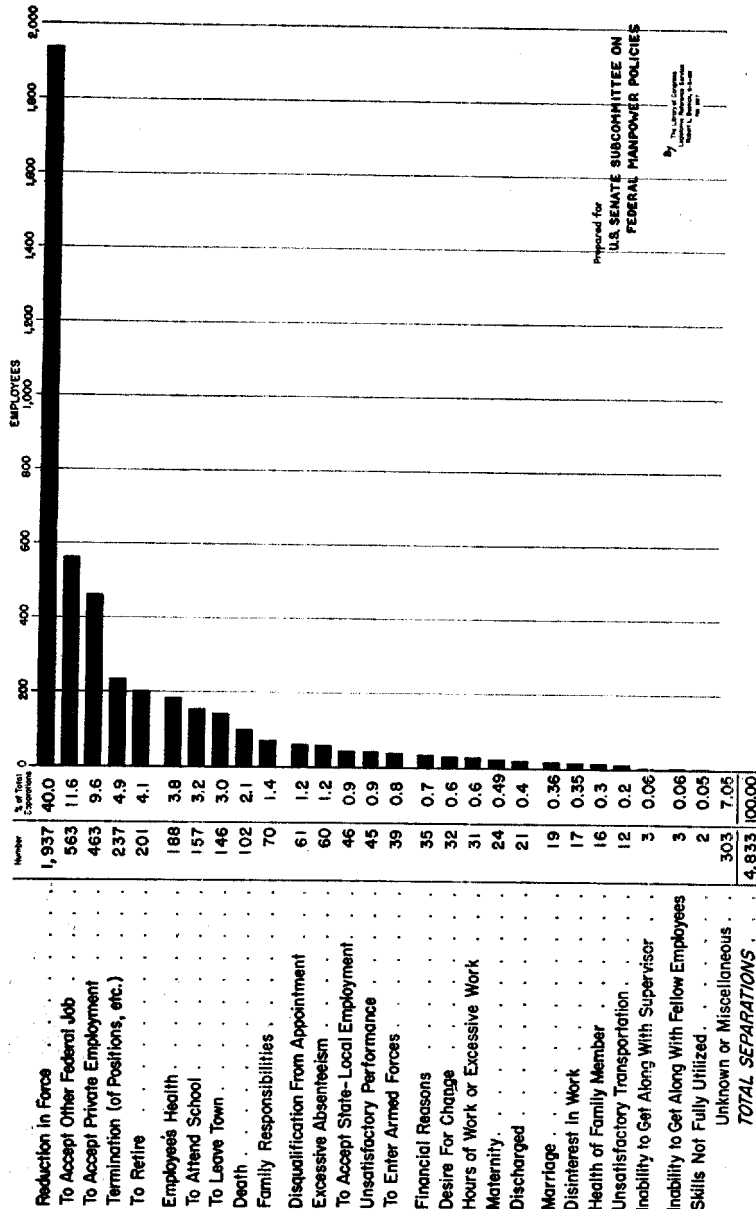
The House of Representatives
Committee on Government Operations
February 1, 1962

EACH SYMBOL REPRESENTS 50 EMPLOYEES

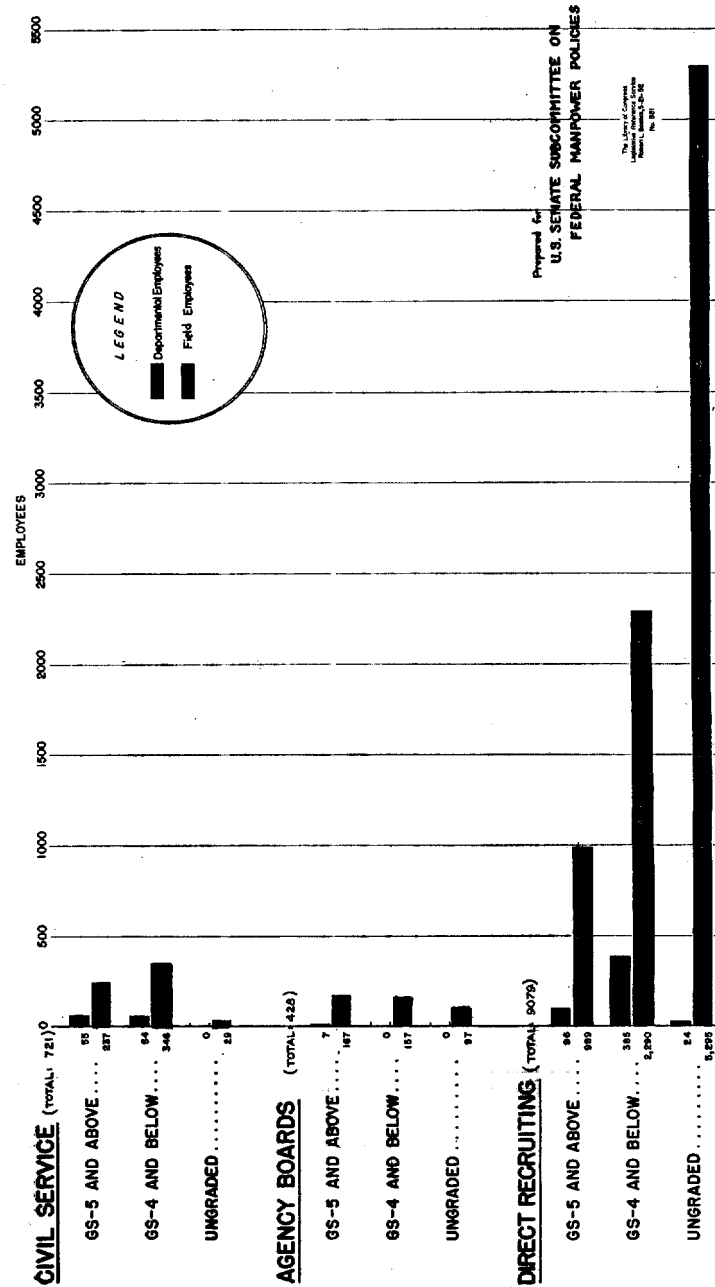
*With over 30-day break in service

WHY FEDERAL EMPLOYEES LEAVE

GENERAL SERVICES ADMINISTRATION
AUGUST 1, 1961-JANUARY 31, 1962

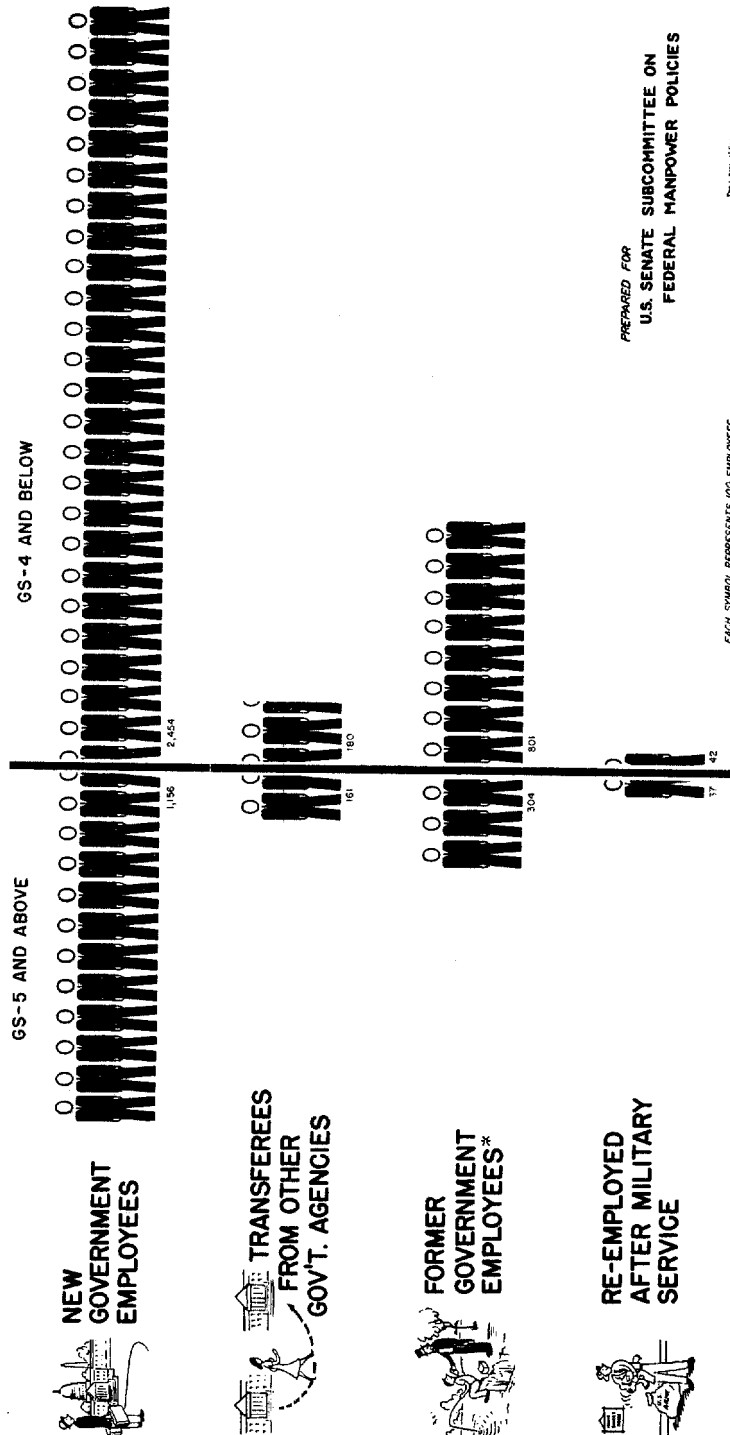


SOURCES OF AGENCY HIRING U. S. DEPARTMENT OF THE INTERIOR JULY 31, 1961-JANUARY 31, 1962



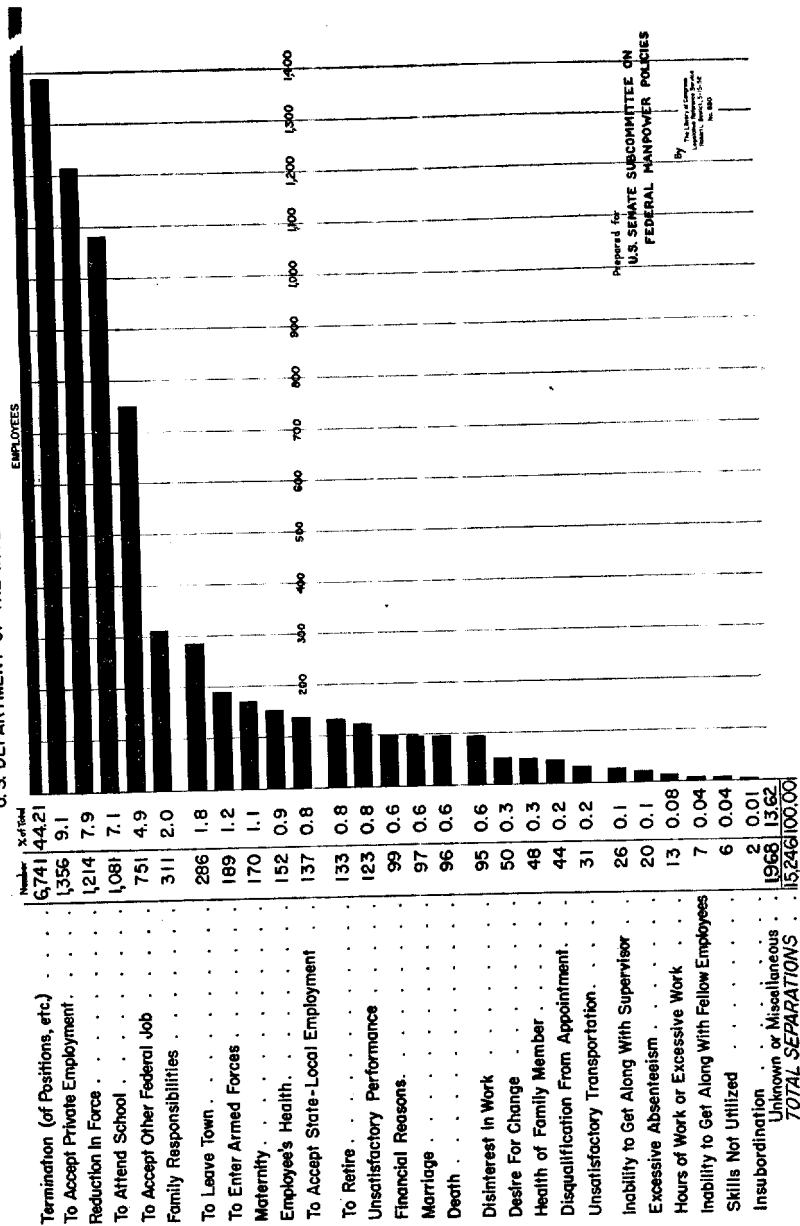
BACKGROUND SOURCE OF EMPLOYEES HIRED

U.S. DEPARTMENT OF THE INTERIOR
JULY 31, 1951-JANUARY 31, 1952



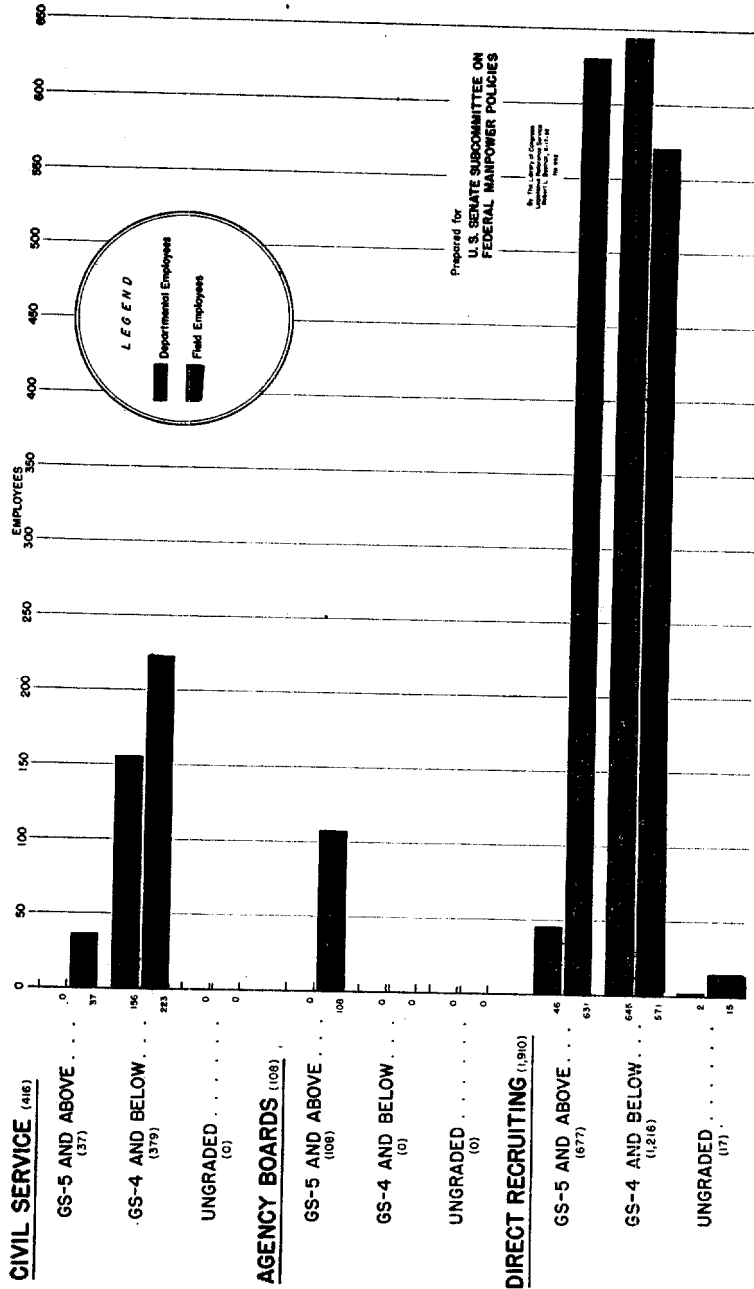
WHY FEDERAL EMPLOYEES LEAVE

U. S. DEPARTMENT OF THE INTERIOR



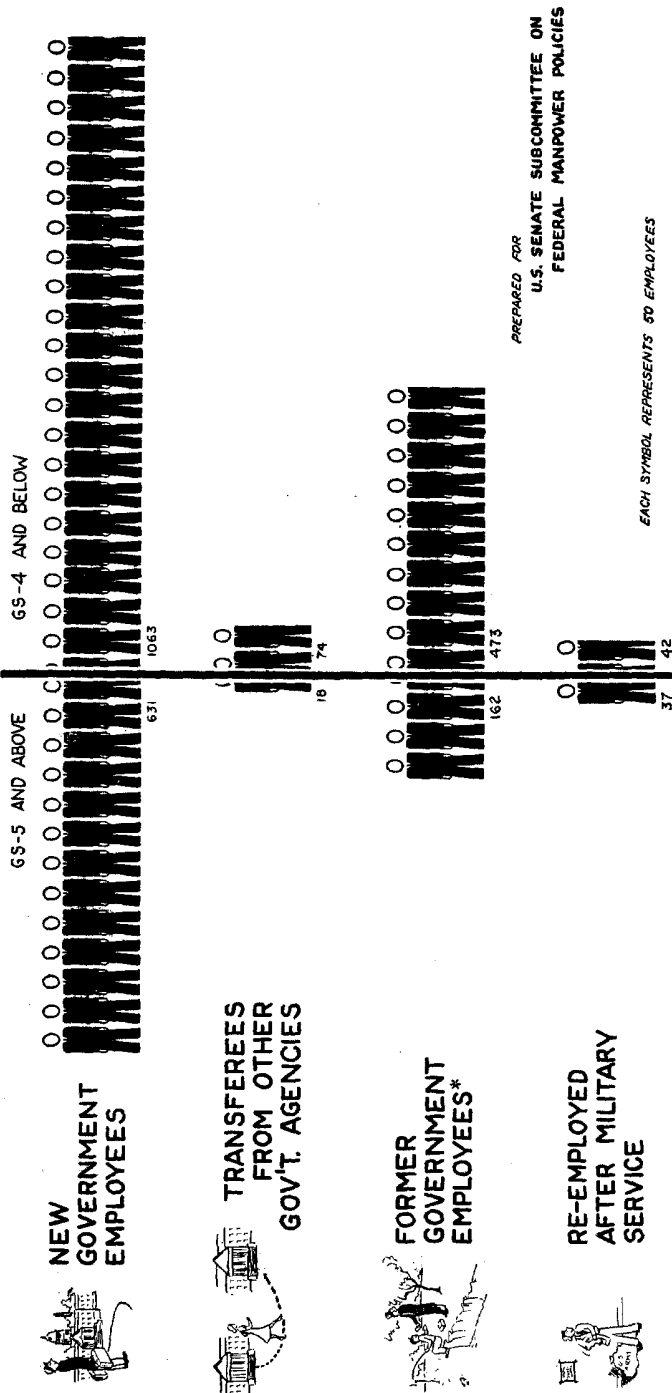
SOURCES OF AGENCY HIRING

U. S. DEPARTMENT OF JUSTICE
AUGUST 1, 1951-JANUARY 31, 1952

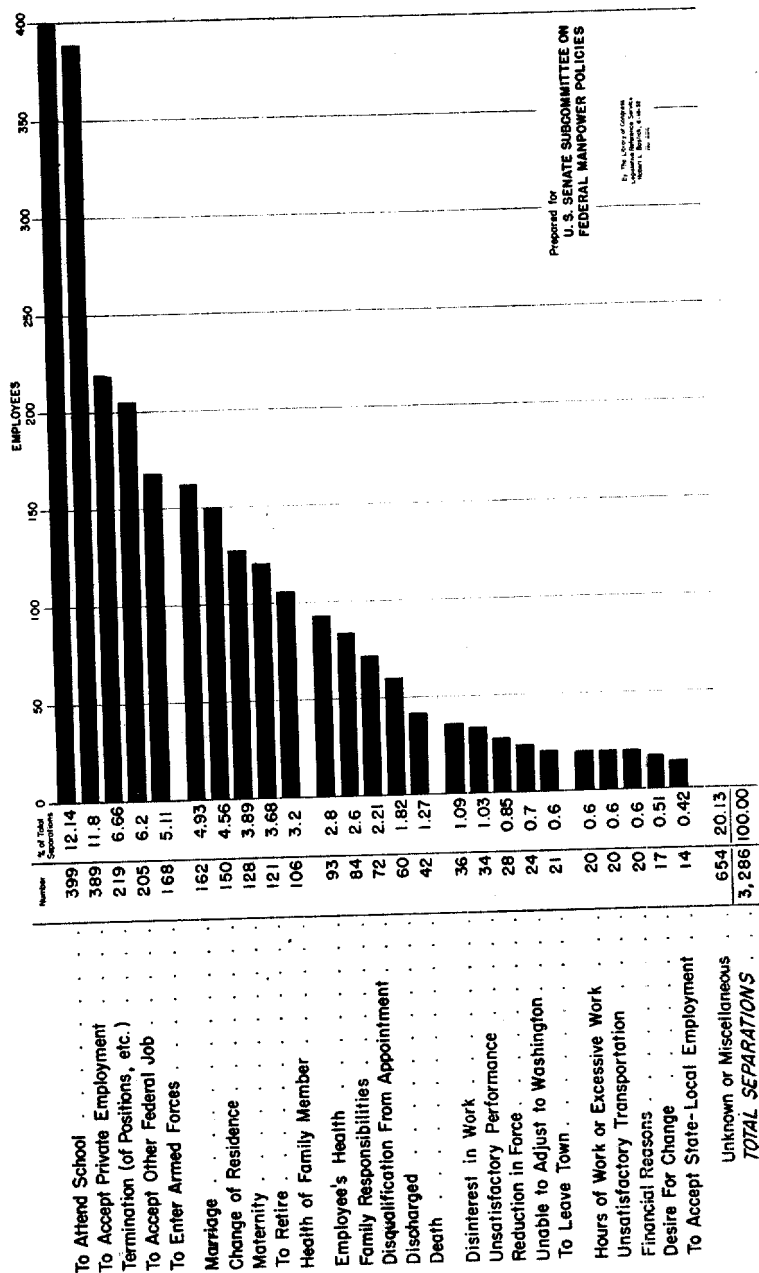


BACKGROUND SOURCE OF EMPLOYEES HIRED

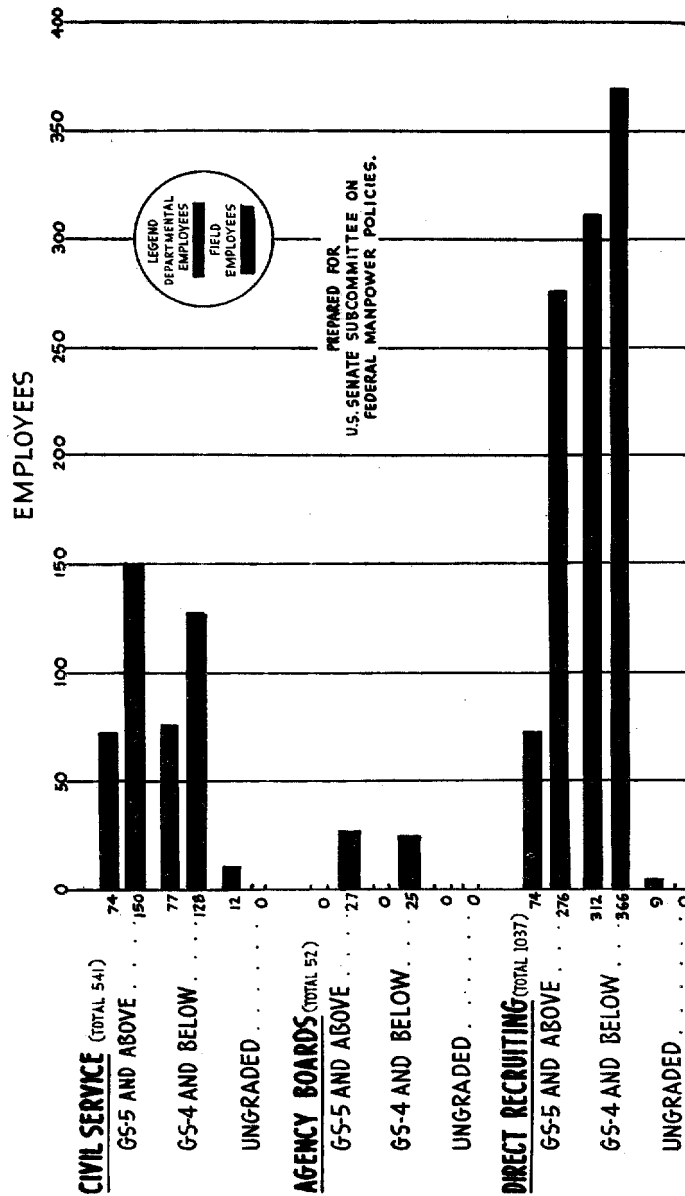
DEPARTMENT OF JUSTICE
JULY 31, 1951 — JANUARY 31, 1952



WHY FEDERAL EMPLOYEES LEAVE U. S. DEPARTMENT OF JUSTICE AUGUST 1, 1961-JANUARY 31, 1962

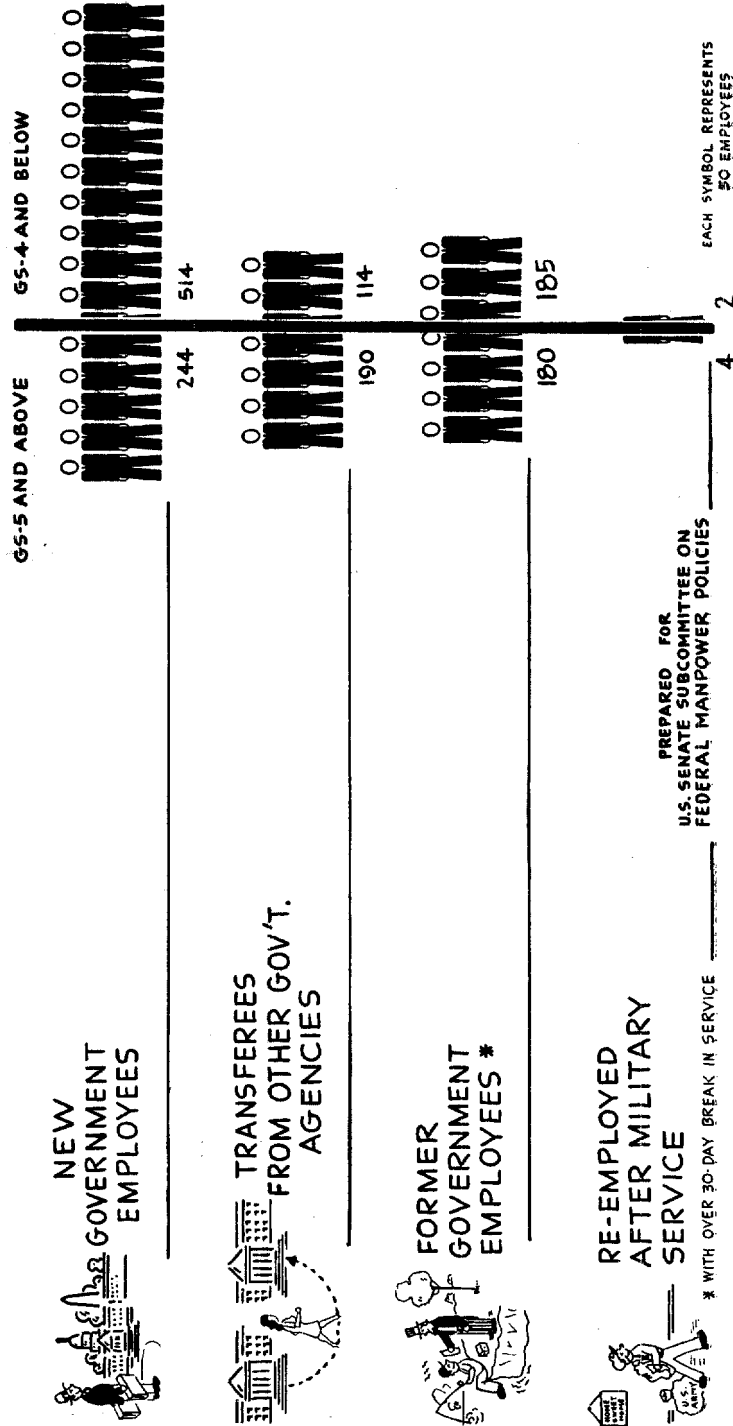


SOURCES OF AGENCY HIRING.
DEPARTMENT OF LABOR..
JULY 31, 1951-JANUARY 31, 1952



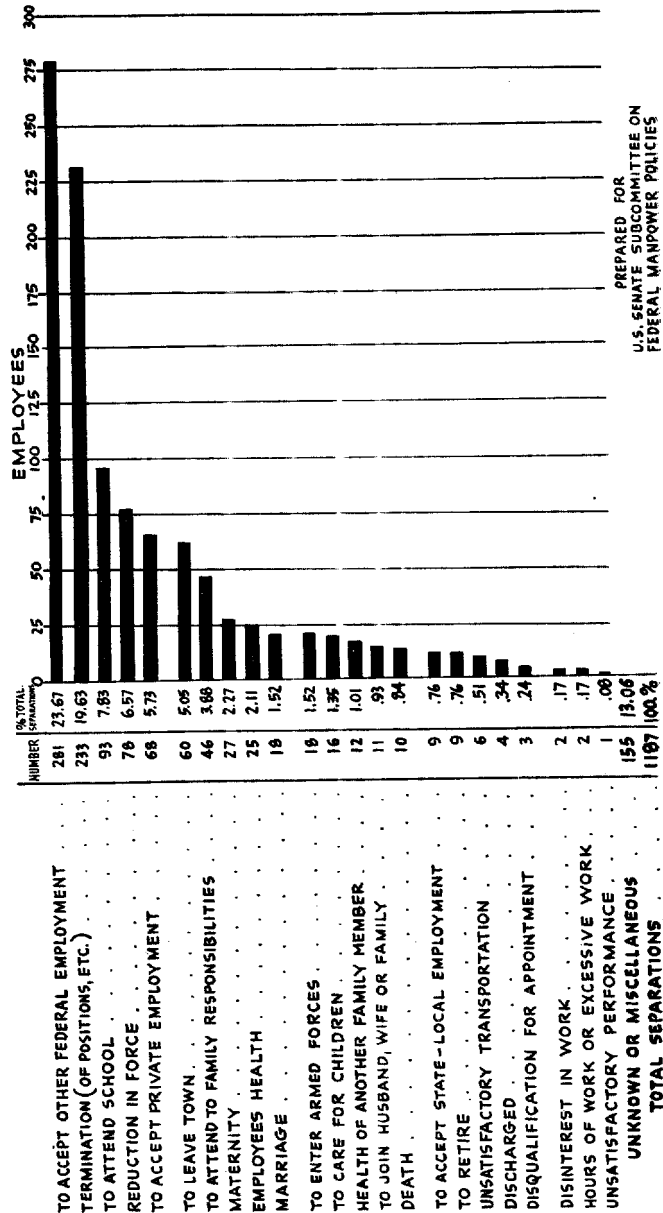
BACKGROUND SOURCE OF EMPLOYEES HIRED

DEPARTMENT OF LABOR
 JULY 31, 1951—JANUARY 31, 1952



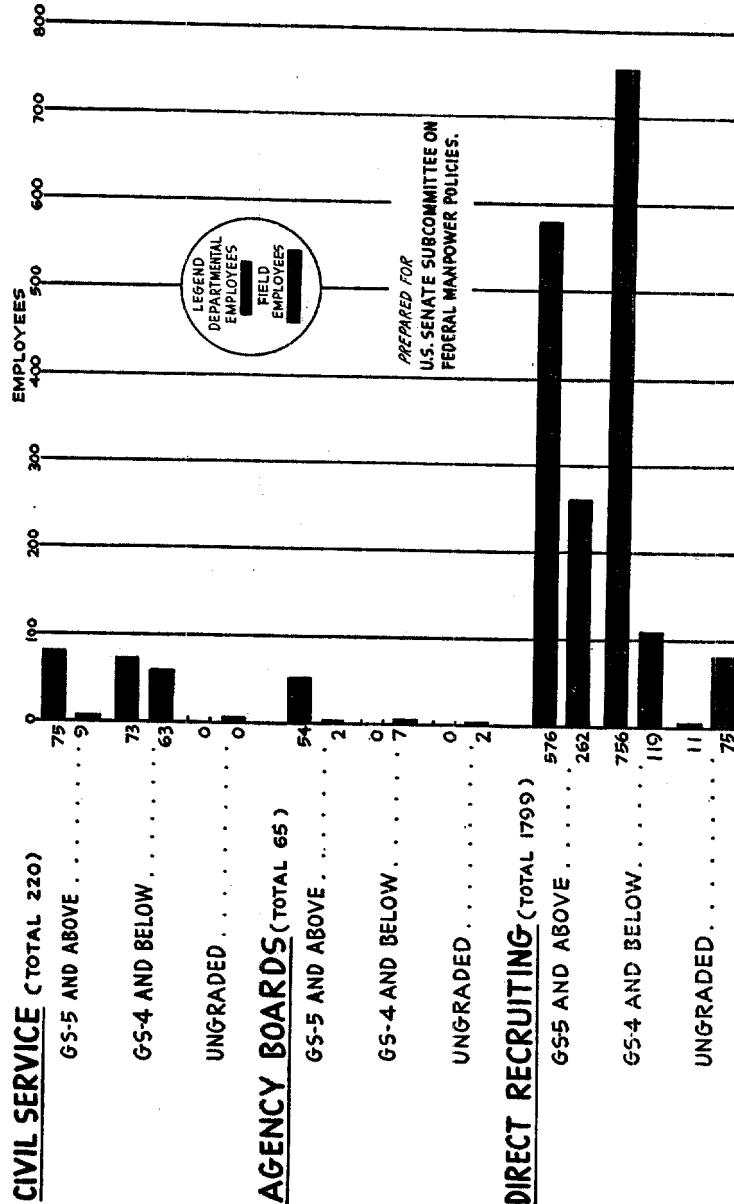
WHY FEDERAL EMPLOYEES LEAVE

DEPARTMENT OF LABOR
JULY 31, 1951-JANUARY 31, 1952



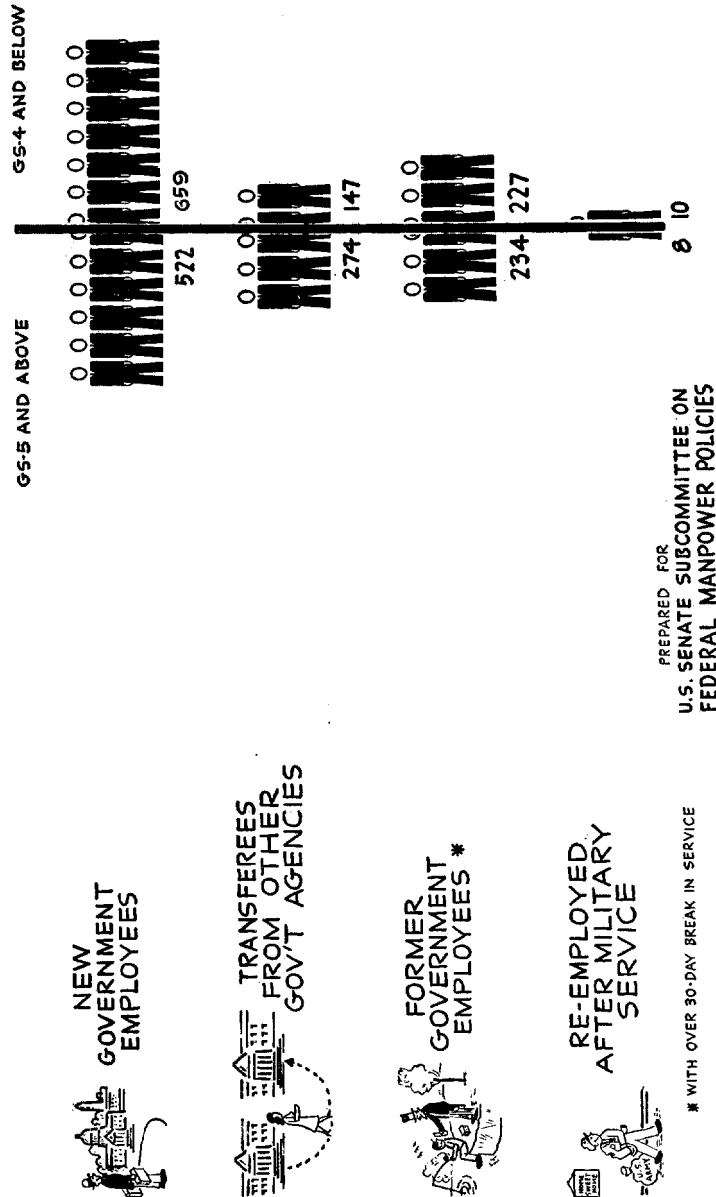
SOURCES OF AGENCY HIRING.

DEPARTMENT OF STATE.
JULY 31, 1951-JANUARY 31, 1952



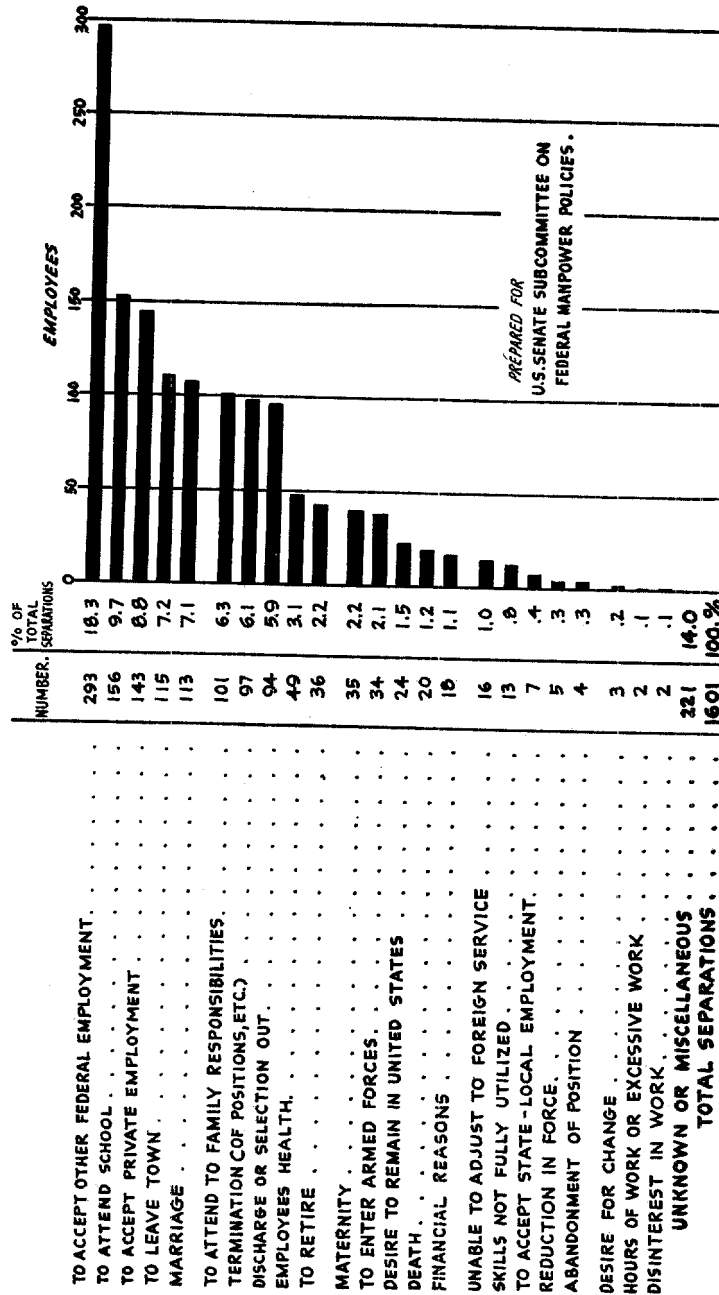
BACKGROUND SOURCE OF EMPLOYEES HIRED

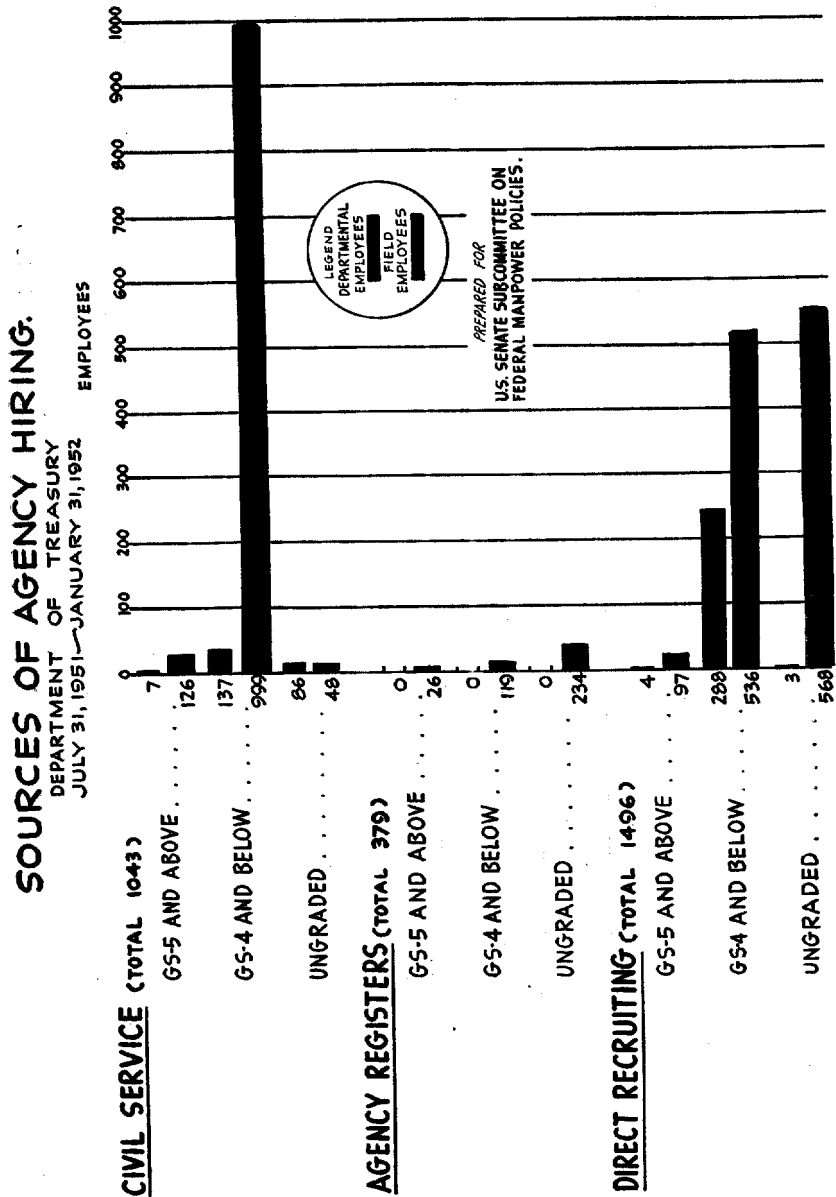
U.S. DEPARTMENT OF STATE
JULY 31, 1951 - JANUARY 31, 1952



WHY FEDERAL EMPLOYEES LEAVE

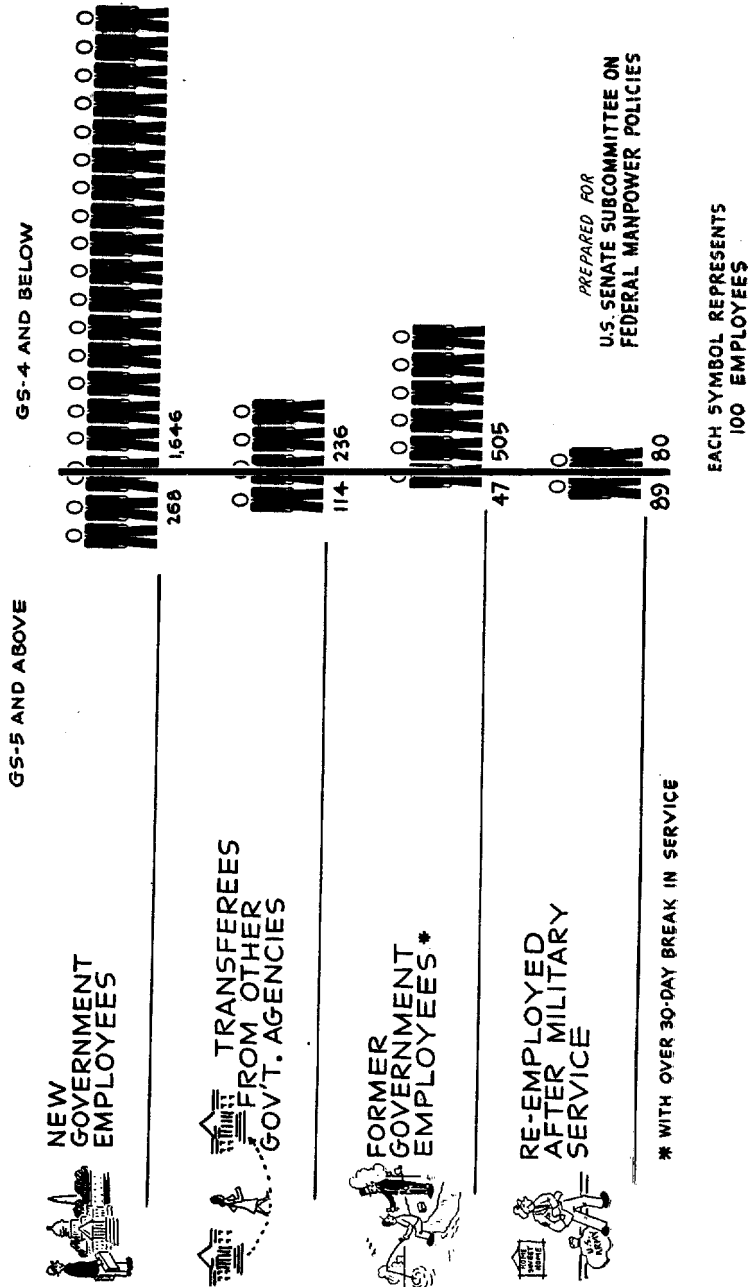
DEPARTMENT OF STATE
 JULY 31, 1952-JANUARY 31, 1952



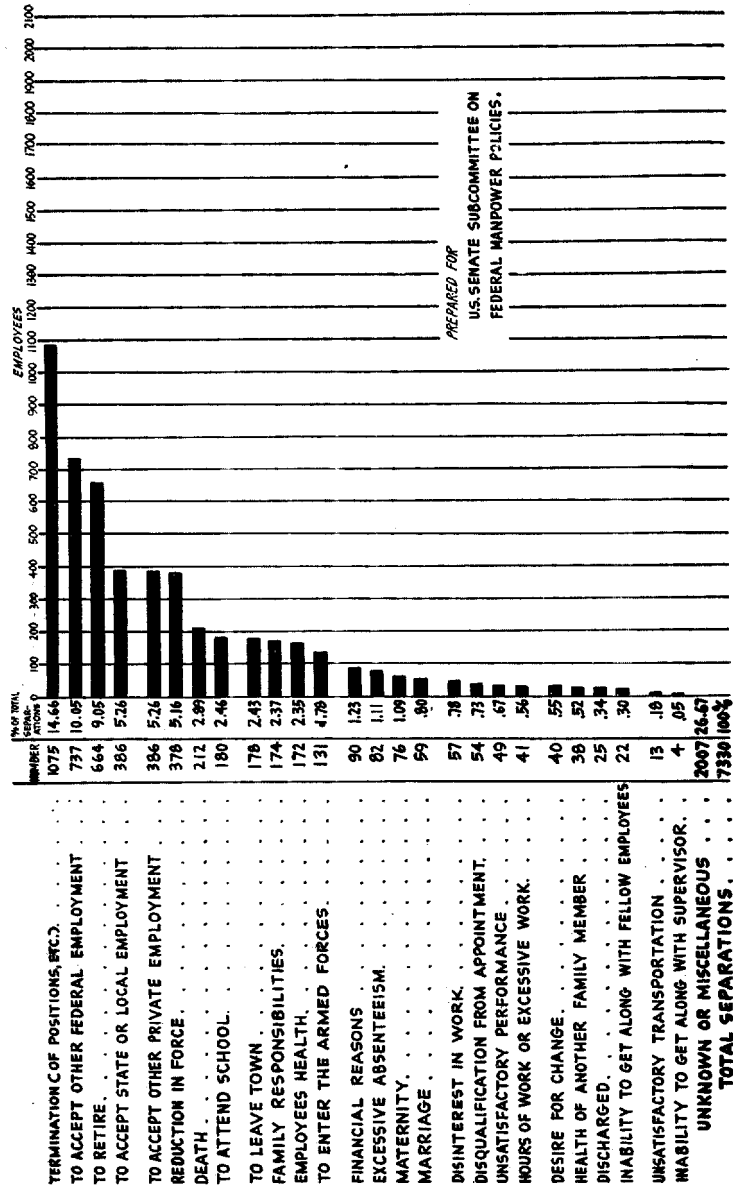


BACKGROUND SOURCE OF EMPLOYEES HIRED.

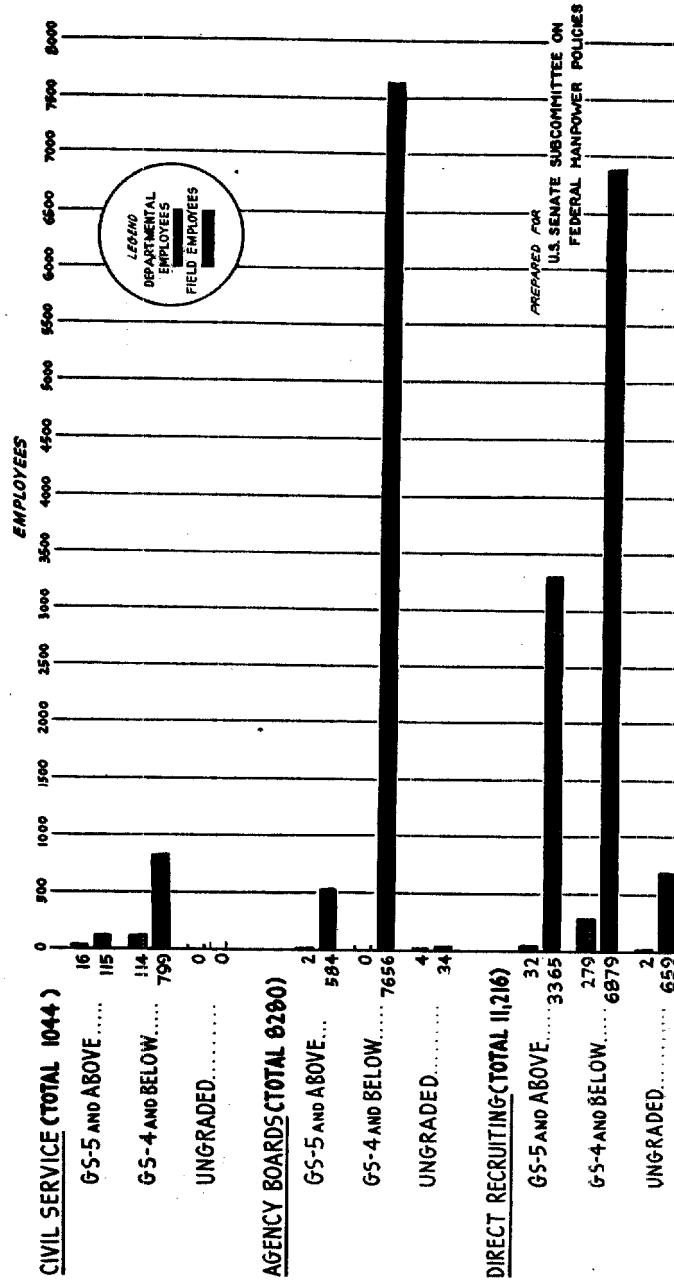
U.S. DEPARTMENT OF TREASURY
JULY 31, 1951-JANUARY 31, 1952



WHY FEDERAL EMPLOYEES LEAVE. DEPARTMENT OF THE TREASURY. JULY 31, 1951-JANUARY 31, 1952

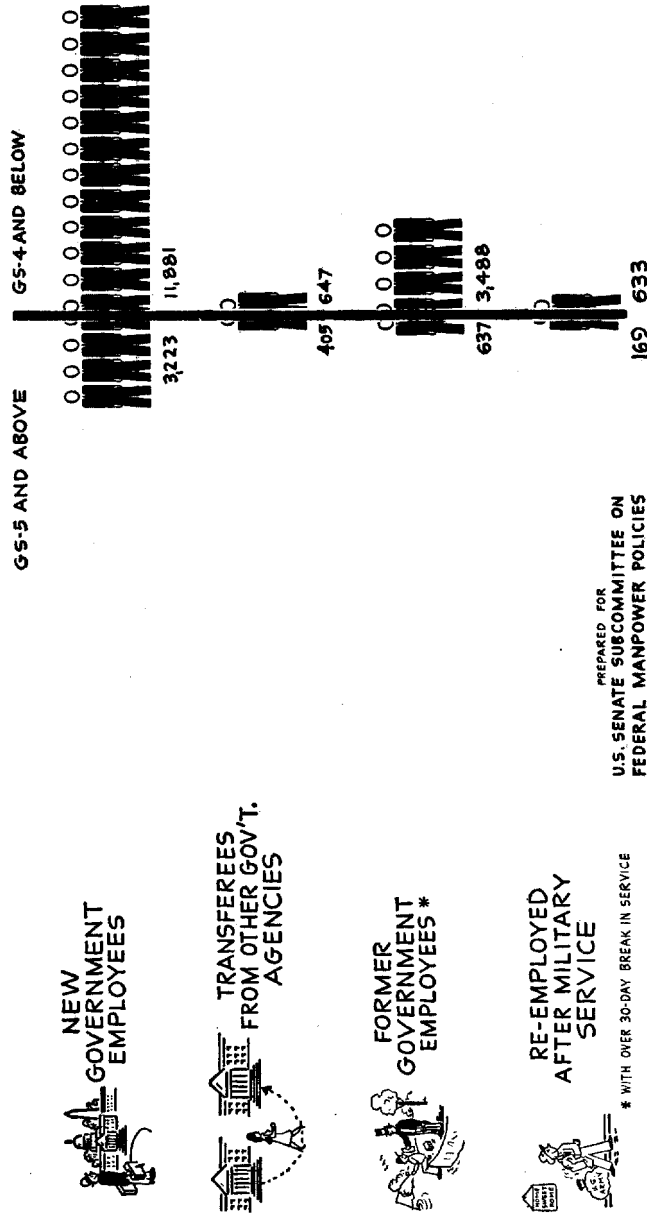


SOURCES OF AGENCY HIRING
VETERANS ADMINISTRATION
 JULY 31, 1951-JANUARY 31, 1952



BACKGROUND SOURCE OF EMPLOYEES HIRED.

VETERANS ADMINISTRATION
JULY 31, 1951-JANUARY 31, 1952



WHY FEDERAL EMPLOYEES LEAVE

VETERANS ADMINISTRATION
JULY 31, 1951 - JANUARY 31, 1952

